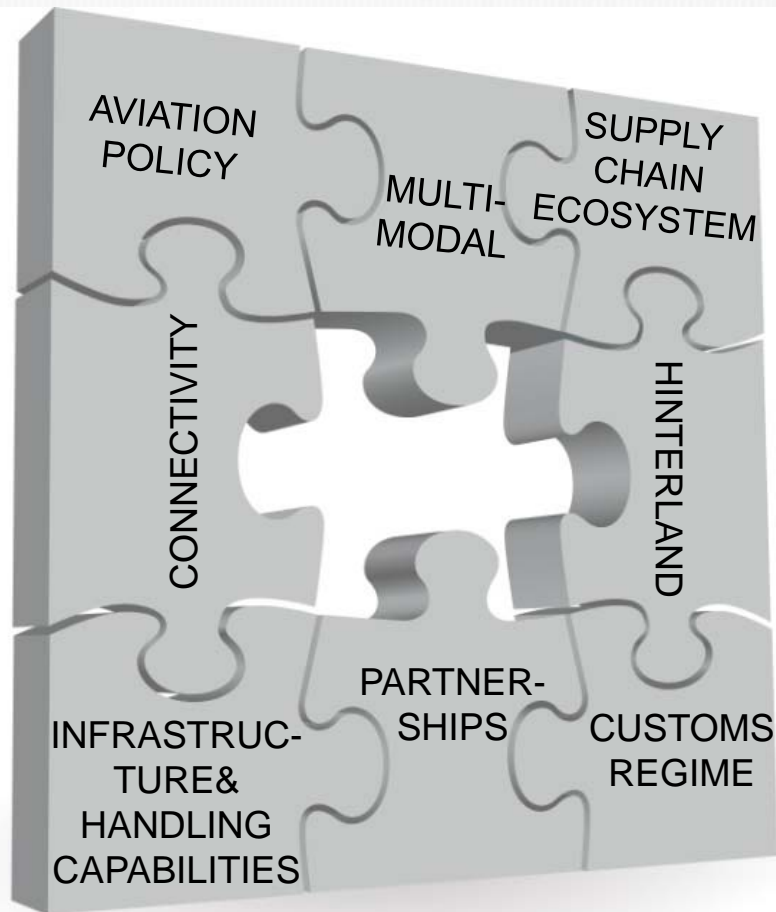


Building an Air Cargo Hub

James Fong
Assistant Vice President
Cargo and Logistics Development



Key Features of an Air Cargo Hub



Collaborations between Government Agencies, Industry & Changi Airport to develop Singapore's Air Logistics Industry



Attracting foreign companies to invest in Singapore's economy –

- Electronics
- Aerospace
- Healthcare & Cold Chain Logistics



IMMIGRATION & CHECKPOINTS
AUTHORITY

TRADE~~X~~CHANGETM

Providing seamless inter-connectivity to government controlling bodies (B2G) and business partners (B2B) for submission of trade documents



- Aviation Policy
- Spearheading the development of e-freight in Singapore

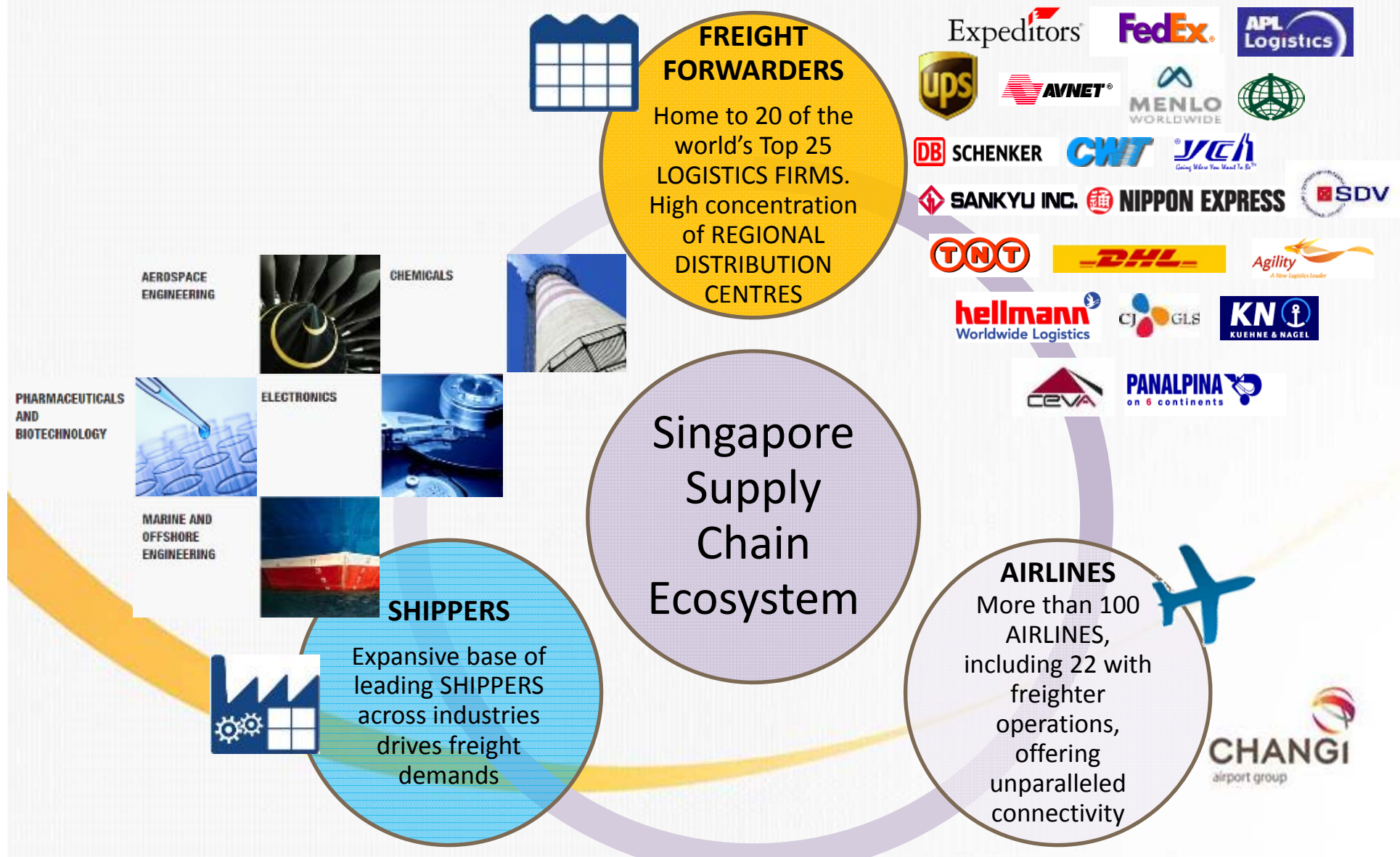


- Connectivity
- Building infrastructure and cargo capacity ahead of demand
- Ensure efficiency processes



Singapore's Holistic & Inter-connected Supply Chain Ecosystem

Allows Diverse Pool of Home-Grown & International Shippers, Freight Forwarders & Airlines to Flourish



The Role of Airports



Building a strong connectivity to offer logistics players access & options to serve their markets.



Developing infrastructure and designing processes to meet industry needs...



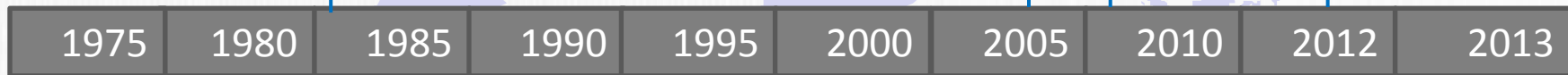
(1981)
Official Opening of Changi Airport



(2003)
Official Opening of Airport Logistics Park of Singapore (ALPS)



(2012)
Official Opening of FedEx Air Cargo Express (ACE) Hub



(1975)
Decision to develop Changi Airport to replace Paya Lebar Airport



(1985)
Opening of the Changi Airfreight Center
•3 million tonnes capacity
•470,000 m²
•8 terminals



(2010)
Official Opening of SATS Coolport@Changi



(2013)
Official Opening of dnata Coolchain
CHANGI
airport group

Changi Airfreight Centre: The Heart of Air Cargo Operations at Changi

1



DHL Singapore Hub

2



TNT Singapore Regional Hub

3



SATS AFT 1-6 & Coolport @ Changi

4



Singpost Airmail Transit Centre

5



4 x Multi Tenanted Warehouse and Offices



6



Dnata AFT & Coolchain

7



FedEx Air Cargo Express (ACE) Hub



24/7 Operations
47 Ha Free Trade Zone
14 Freighter Bays
Gateway for Major Integrators

Working with Business Partners to Serve Growing Cargo Segments

Tapping on New Cargo Segments:

In addition to diversifying their cargo base, Changi Airport continues to work with its business partners to target new cargo segments. Some examples include perishables, valuable cargo and express cargo



Air Cargo Express (ACE) Hub : A Multi-Agency Approach with FedEx in Asia Pac



First of its kind air cargo facility in the region focusing on express cargo. Operating 24/7, The facility boast special on-site facilitation by local customs authorities

Singapore Freeport: Positioning Changi as a secure hub for high value cargo



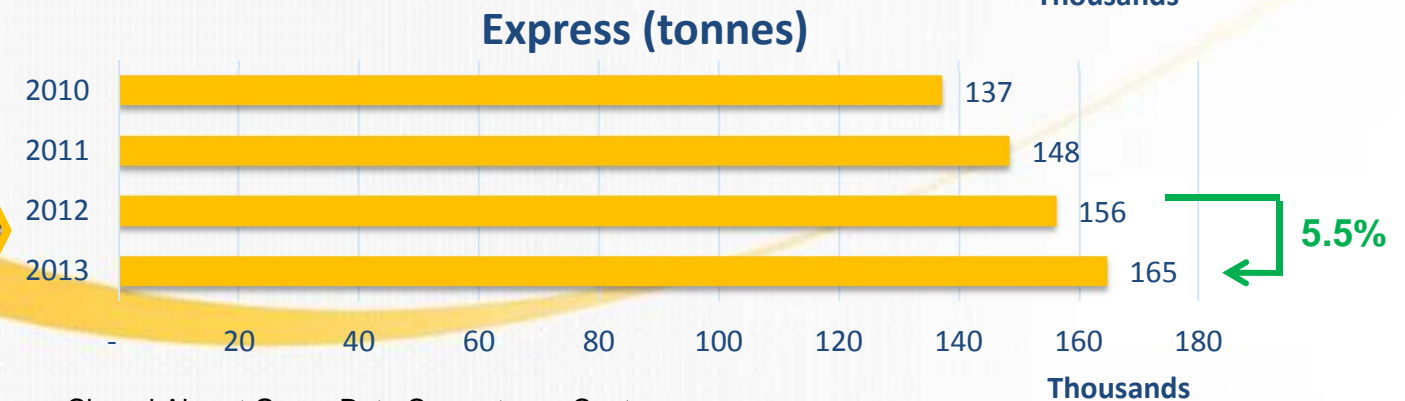
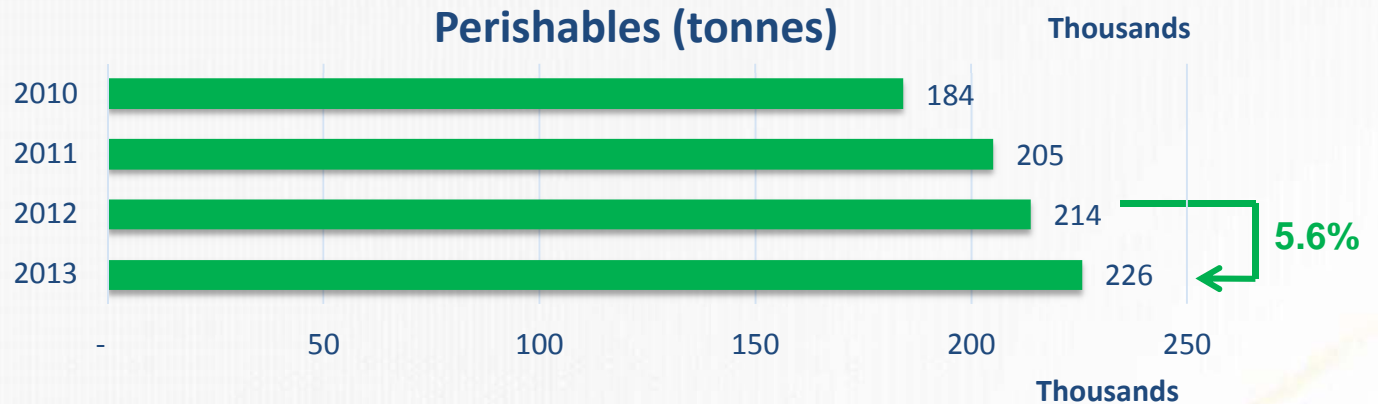
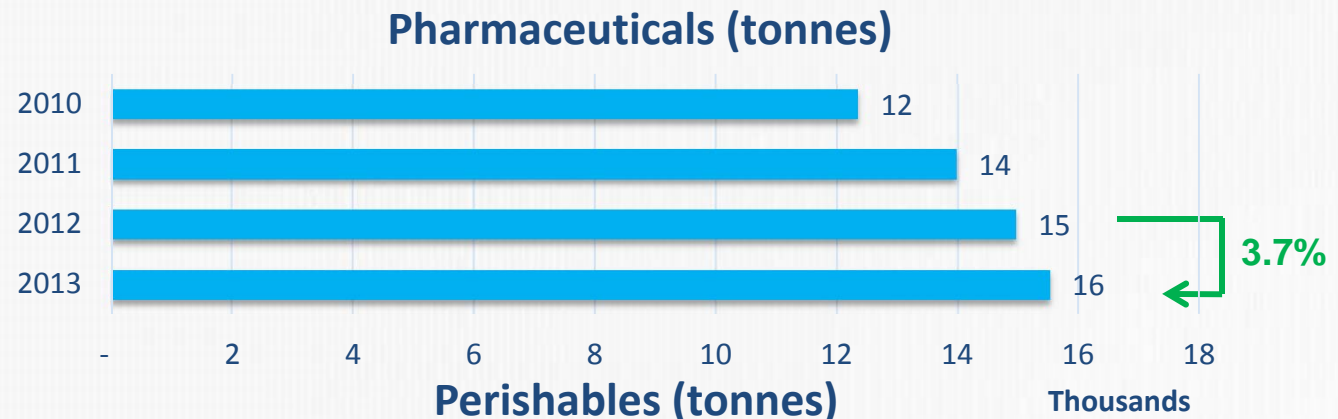
Fitted with cutting edge, high security storage system for high values collectibles such as fine art, precious metals and high end wine.

SATS Coolport & dnata Coolchain: Enable Changi to capture new perishables trade flow – 300,000 tonnes/yr capacity



Both state-of-the-art cold chain handling facilities offer uncompromised processing & storage of cold chain products

Diversifying Changi's Cargo Base and Focusing on Niche Cargo Segments



Source: Changi Airport Group Data Competency Centre

Industry Outreach Programme & Joint Participation at International Tradeshows

Joint Participation in Key Trade Events



Industry Engagements



Supporting our Business Partners during Periods of Fragile Growth



Changi Airport Group extended support to its air cargo partners, with support package amounting to S\$18 million for FY14/15

Changi Airport launched S\$100 million Growth & Assistance Incentive (GAIN), aimed at lowering costs for airlines, boosting traffic & improving efficiency

Support for the cargo sector

CAG has taken active steps to sustain the long-term growth of the air cargo sector. In January 2014, CAG extended the cargo incentive scheme to March 2015, comprising a 50% landing fee rebate for all scheduled freighter flights and up to 20% rental rebates for cargo tenants leasing CAG cargo facilities at the Changi Airfreight Centre. More recently, CAG announced the Growth and Assistance Incentive (GAIN) programme, providing a 50% parking rebate for all scheduled services from 1 July 2014 to 30 June 2015.

Notwithstanding the tough operating environment faced by the cargo industry in Asia, Changi Airport handled 598,000 tonnes of airfreight movements in the first four months this year, representing a 0.1% growth compared to the same period last year. In the Asia-Pacific region, carriers are expected to face continuing challenges for the rest of the year, due to the bleak manufacturing outlook for China and slowing export activities in emerging Asian economies.

"While the outlook for the global airfreight sector remains uncertain, we are committed to our airline partners in providing support where needed. We will work with them to explore new opportunities and respond to emerging industry trends so as to sustain growth over the long term for the airfreight sector," Mr Fong said.

Changi Airport Group rolls out growth and assistance incentive



Changi Airport Group (CAG) will introduce a wide-ranging Growth and Assistance Incentive (GAIN) program over the coming year that will see a total investment of S\$100m (US\$80m) in various initiatives and measures aimed at lowering costs for airlines, boosting passenger traffic and improving operational efficiency at Changi Airport.

From July 1, 2014 to June 30, 2015, all airlines operating at Changi Airport will enjoy an across-the-board reduction in operating costs including rebates of 50% on aircraft parking fees and 15% on aerobridge fees.

In addition, CAG will introduce a new package that will reward airlines for growing transfer traffic at Changi Airport. CAG is also keen to work with airlines to raise efficiency of terminal operations and will provide funding support where appropriate.

