



## UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2008

### 1(a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE FIRST QUARTER ENDED 30 JUNE 2008 (in \$ million)

	The Group	
	1st Quarter 2008-09	1st Quarter 2007-08
<b>REVENUE</b>	4,131.7	3,622.1
<b>EXPENDITURE</b>		
Staff costs	680.1	646.4
Fuel costs	1,531.5	1,165.1
Depreciation	427.2	357.1
Amortisation of intangible assets	10.4	11.0
Aircraft maintenance and overhaul costs	95.7	109.6
Commission and incentives	112.8	108.9
Landing, parking and overflying charges	171.4	162.1
Handling charges	147.4	145.3
Rentals on leased aircraft	107.3	82.9
Material costs	72.5	91.4
Inflight meals	64.2	64.7
Advertising and sales costs	59.8	56.5
Insurance expenses	15.4	19.6
Company accommodation and utilities	44.2	40.7
Other passenger costs	38.5	31.6
Crew expenses	47.3	33.8
Other operating expenses	162.8	32.1
	<u>3,788.5</u>	<u>3,158.8</u>
<b>OPERATING PROFIT</b>	343.2	463.3
Finance charges	(20.3)	(23.5)
Interest income	27.0	44.1
Surplus/(loss) on disposal of aircraft, spares and spare engines	7.3	(5.5)
Dividends from long-term investments, gross	3.7	10.6
Other non-operating items	8.4	30.7
Share of profits of joint venture companies	15.3	11.0
Share of profits of associated companies	89.6	25.9
<b>PROFIT BEFORE TAXATION</b>	474.2	556.6
<b>TAXATION</b>	(96.7)	(110.4)
<b>PROFIT FOR THE PERIOD</b>	<u>377.5</u>	<u>446.2</u>
<b>PROFIT ATTRIBUTABLE TO:</b>		
<b>EQUITY HOLDERS OF THE COMPANY</b>	358.6	424.1
<b>MINORITY INTERESTS</b>	18.9	22.1
	<u>377.5</u>	<u>446.2</u>
<b>BASIC EARNINGS PER SHARE (CENTS)</b>	30.3	33.9
<b>DILUTED EARNINGS PER SHARE (CENTS)</b>	30.0	33.3

**Notes:**

**(i) Profit for the period is arrived at after charging/(crediting) the following:**

	The Group	
	1st Quarter 2008-09	1st Quarter 2007-08
Interest income from short-term investments	(0.2)	(0.2)
Dividend income from short-term investments	(0.2)	(0.3)
Amortisation of deferred gain on sale and leaseback transactions	(23.5)	(26.2)
Surplus on disposal of short-term investments	(1.3)	(1.9)
Bad debts written off	0.1	0.4
Impairment of trade debtors	3.6	0.6
Exchange loss/(gain), net	53.2	(32.0)
Fuel hedging (gain)/loss recognised in "Fuel costs"	(347.0)	23.8
Ineffectiveness of fuel hedging contracts recognised in "Fuel costs"	(1.7)	--
Adjustment for over provision of tax in respect of prior years	--	(0.2)

**(ii) The non-operating items comprise the following:**

	The Group	
	1st Quarter 2008-09	1st Quarter 2007-08
Recognition of liquidated damages	7.7	13.7
Surplus on disposal of other property, plant and equipment	0.4	16.6
Amortisation of deferred gain on sale and finance leaseback transactions	0.4	0.4
Impairment of long term investments	(0.1)	--
	<u>8.4</u>	<u>30.7</u>

**1(b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**BALANCE SHEETS AS AT 30 JUNE 2008 (in \$ million)**

	The Group		The Company	
	30-Jun 2008	31-Mar 2008	30-Jun 2008	31-Mar 2008
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>				
Share capital	1,684.8	1,682.0	1,684.8	1,682.0
Treasury shares	(46.8)	(33.2)	(46.8)	(33.2)
Capital reserve	95.6	95.6	--	--
Foreign currency translation reserve	(141.6)	(130.7)	--	--
Share-based compensation reserve	152.1	136.4	109.8	98.6
Fair value reserve	1,073.4	443.4	590.6	198.6
General reserve	13,291.7	12,931.7	11,817.3	11,589.7
	16,109.2	15,125.2	14,155.7	13,535.7
<b>MINORITY INTERESTS</b>	522.3	503.7	--	--
<b>TOTAL EQUITY</b>	16,631.5	15,628.9	14,155.7	13,535.7
<b>DEFERRED ACCOUNT</b>	721.7	787.3	603.3	660.0
<b>DEFERRED TAXATION</b>	2,641.2	2,542.1	2,178.7	2,101.9
<b>LONG-TERM LIABILITIES</b>	1,581.1	1,599.2	900.0	900.0
	21,575.5	20,557.5	17,837.7	17,197.6
Represented by:-				
<b>PROPERTY, PLANT AND EQUIPMENT</b>				
Aircraft, spares and spare engines	13,201.9	13,182.2	10,752.6	10,708.5
Land and buildings	717.9	729.3	128.9	132.2
Others	2,060.0	2,562.6	1,695.1	2,218.3
	15,979.8	16,474.1	12,576.6	13,059.0
<b>INTANGIBLE ASSETS</b>	100.8	106.6	76.0	79.0
<b>SUBSIDIARY COMPANIES</b>	--	--	1,780.8	1,780.8
<b>ASSOCIATED COMPANIES</b>	1,312.4	1,121.0	1,722.2	1,722.2
<b>JOINT VENTURE COMPANIES</b>	102.9	95.1	--	--
<b>LONG-TERM INVESTMENTS</b>	43.2	43.3	18.8	18.9
<b>OTHER NON-CURRENT ASSETS</b>	415.5	361.8	403.1	353.6
<b>CURRENT ASSETS</b>				
Inventories	520.0	507.7	408.1	406.3
Trade debtors	2,596.6	2,043.8	1,893.8	1,433.4
Deposits and other debtors	116.7	73.1	77.9	37.7
Prepayments	108.5	104.9	88.2	90.2
Amounts owing by subsidiary companies	--	--	262.6	227.4
Amounts owing by associated companies	1.1	0.5	--	--
Investments	605.9	464.3	505.9	360.9
Cash and bank balances	6,079.3	5,119.0	5,201.4	4,216.7
	10,028.1	8,313.3	8,437.9	6,772.6
Less: <b>CURRENT LIABILITIES</b>				
Sales in advance of carriage	1,859.6	1,680.3	1,825.5	1,647.0
Deferred revenue	454.1	435.7	454.1	435.7
Current tax payable	419.8	415.1	287.8	282.7
Trade and other creditors	3,614.8	3,367.9	2,683.5	2,494.0
Amounts owing to subsidiary companies	--	--	1,926.8	1,729.1
Amounts owing to associated companies	0.7	1.2	--	--
Finance lease commitments-repayable within one year	56.7	56.9	--	--
Loans-repayable within one year	1.5	0.6	--	--
	6,407.2	5,957.7	7,177.7	6,588.5
<b>NET CURRENT ASSETS</b>	3,620.9	2,355.6	1,260.2	184.1
	21,575.5	20,557.5	17,837.7	17,197.6

**1(b) (ii) Aggregate amount of group's borrowings and debt securities.**

Amount repayable in one year or less, or on demand

As at 30 June 2008		As at 31 March 2008	
Secured	Unsecured	Secured	Unsecured
\$56.8M	\$1.4M	\$57.0M	\$0.5M

Amount repayable after one year

As at 30 June 2008		As at 31 March 2008	
Secured	Unsecured	Secured	Unsecured
\$477.8M	\$1,103.3M	\$495.8M	\$1,103.4M

Details of any collateral

\$0.2 million of the secured borrowings by SIAEC are secured by equipment and vehicles, of which \$0.1 million is repayable within one year. In addition, \$4.2 million of the secured borrowings obtained by SATS Group are secured by machineries, of which \$0.4 million is repayable within one year. The remaining secured borrowings pertained to finance leases of aircraft (\$530.1 million).

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FIRST QUARTER ENDED 30 JUNE 2008 (in \$ million)**

	The Group	
	1st Quarter 2008-09	1st Quarter 2007-08
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	474.2	556.6
Adjustments for:-		
Depreciation	427.2	357.1
Amortisation of intangible assets	10.4	11.0
Income from short-term investments	(0.4)	(0.5)
Share-based compensation expense	18.6	14.9
Exchange differences	38.2	(19.5)
Amortisation of deferred gain on sale and operating leaseback transactions	(23.5)	(26.2)
Finance charges	20.3	23.5
Interest income	(27.0)	(44.1)
Surplus on disposal of aircraft, spares and spare engines	(7.3)	5.5
Dividends from long-term investments, gross	(3.7)	(10.6)
Other non-operating items	(8.4)	(30.7)
Share of profits of joint venture companies	(15.3)	(11.0)
Share of profits of associated companies	(89.6)	(25.9)
Operating profit before working capital changes	813.7	800.1
Increase in trade and other creditors	259.8	185.3
Increase in short term investments	(133.3)	(348.1)
Increase in sales in advance of carriage	179.3	150.4
Increase in trade debtors	(46.6)	(33.2)
Increase in deposits and other debtors	(43.6)	(27.7)
Increase in prepayments	(3.6)	(0.4)
(Increase)/decrease in inventories	(12.3)	9.8
Increase in deferred revenue	18.4	11.7
Increase in amounts owing to/by associated companies	(1.1)	(1.9)
Cash generated from operations	1,030.7	746.0
Income taxes paid	(71.7)	(45.6)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>959.0</b>	<b>700.4</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(627.5)	(637.3)
Purchase of intangible assets	(4.6)	(11.5)
Proceeds from disposal of aircraft and other property, plant and equipment	682.1	1.9
Capital expenditure for setting up associated companies	(4.2)	--
Repayment of loans by associated companies	0.2	--
Dividends received from associated and joint venture companies	11.1	12.7
Dividends received from investments	3.9	10.9
Interest received from investments and deposits	22.8	38.2
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>83.8</b>	<b>(585.1)</b>

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FIRST QUARTER ENDED 30 JUNE 2008 (in \$ million)**

	The Group	
	1st Quarter 2008-09	1st Quarter 2007-08
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(22.3)	(27.2)
Proceeds from borrowings	1.0	0.2
Repayment of borrowings	(0.1)	(3.0)
Repayment of long-term lease liabilities	(10.4)	(12.7)
Proceeds from issuance of share capital by subsidiary companies to minority interests	0.5	--
Proceeds from exercise of share options	9.0	115.4
Purchase of treasury shares	(18.8)	--
<b>NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES</b>	<b>(41.1)</b>	<b>72.7</b>
<b>NET CASH INFLOW</b>	<b>1,001.7</b>	<b>188.0</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD</b>	<b>5,119.0</b>	<b>5,093.7</b>
Effect of exchange rate changes	(41.4)	27.2
<b>CASH AND CASH EQUIVALENTS AT END PERIOD</b>	<b>6,079.3</b>	<b>5,308.9</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Fixed deposits	5,536.0	4,734.2
Cash and bank	543.3	574.8
Bank overdrafts	--	(0.1)
<b>CASH AND CASH EQUIVALENTS AT END PERIOD</b>	<b>6,079.3</b>	<b>5,308.9</b>

**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 JUNE 2008 (in \$ million)**

The Group	Attributable to Equity Holders of the Company									
	Share capital	Treasury Shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Minority interests	Total equity
Balance at 1 April 2008	1,682.0	(33.2)	95.6	(130.7)	136.4	443.4	12,931.7	15,125.2	503.7	15,628.9
Currency translation differences	--	--	--	(10.9)	--	--	--	(10.9)	(3.3)	(14.2)
Net fair value changes on available-for-sale assets	--	--	--	--	--	8.3	--	8.3	--	8.3
Net fair value changes on cash flow hedges	--	--	--	--	--	478.1	--	478.1	--	478.1
Share of associated companies' fair value reserve	--	--	--	--	--	143.6	--	143.6	--	143.6
Surplus on dilution of interest in subsidiary companies due to share options exercised	--	--	--	--	(1.9)	--	1.7	(0.2)	2.5	2.3
Net income and expense not recognised in the profit and loss account	--	--	--	(10.9)	(1.9)	630.0	1.7	618.9	(0.8)	618.1
Profit for the period April-June 2008	--	--	--	--	--	--	358.6	358.6	18.9	377.5
Net income and expense recognised for the period	--	--	--	(10.9)	(1.9)	630.0	360.3	977.5	18.1	995.6
Issuance of share capital by subsidiary companies	--	--	--	--	--	--	--	--	0.5	0.5
Share-based compensation expense	--	--	--	--	18.6	--	--	18.6	--	18.6
Share options exercised	2.8	--	--	--	(0.2)	--	--	2.6	--	2.6
Share options lapsed	--	--	--	--	(0.4)	--	0.4	--	--	--
Purchase of treasury shares	--	(18.8)	--	--	--	--	--	(18.8)	--	(18.8)
Treasury shares reissued pursuant to employee share option plan	--	5.2	--	--	(0.4)	--	(0.7)	4.1	--	4.1
Balance at 30 June 2008	1,684.8	(46.8)	95.6	(141.6)	152.1	1,073.4	13,291.7	16,109.2	522.3	16,631.5

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 JUNE 2007 (in \$ million)**

The Group	Attributable to Equity Holders of the Company							Total	Minority interests	Total equity
	Share capital	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve				
Balance at 1 April 2007	1,494.9	44.9	(59.5)	97.3	(45.5)	13,567.9	15,100.0	443.3	15,543.3	
Currency translation differences	--	--	15.6	--	--	--	15.6	2.3	17.9	
Net fair value changes on available-for-sale assets	--	--	--	--	8.8	--	8.8	--	8.8	
Net fair value changes on cash flow hedges	--	--	--	--	16.0	--	16.0	--	16.0	
Share of associated companies' fair value reserve	--	--	--	--	10.9	--	10.9	--	10.9	
Surplus on dilution of interest in subsidiary companies due to share options exercised	--	--	--	(2.0)	--	6.5	4.5	12.9	17.4	
Net income and expense not recognised in the profit and loss account	--	--	15.6	(2.0)	35.7	6.5	55.8	15.2	71.0	
Profit for the period April-June 2007	--	--	--	--	--	424.1	424.1	22.1	446.2	
Net income and expense recognised for the period	--	--	15.6	(2.0)	35.7	430.6	479.9	37.3	517.2	
Share-based compensation expense	--	--	--	14.9	--	--	14.9	--	14.9	
Share options exercised	101.2	--	--	(3.2)	--	--	98.0	--	98.0	
Share options lapsed	--	--	--	(0.2)	--	0.2	--	--	--	
Balance at 30 June 2007	1,596.1	44.9	(43.9)	106.8	(9.8)	13,998.7	15,692.8	480.6	16,173.4	



**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 JUNE 2008 (in \$ million)**

The Company	Share capital	Treasury Shares	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2008	1,682.0	(33.2)	98.6	198.6	11,589.7	13,535.7
Net fair value changes on available-for-sale assets	--	--	--	11.2	--	11.2
Net fair value changes on cash flow hedges	--	--	--	380.8	--	380.8
Net income not recognised in the profit and loss account	--	--	--	392.0	--	392.0
Profit for the period April-June 2008	--	--	--	--	227.9	227.9
Net income recognised for the period	--	--	--	392.0	227.9	619.9
Share-based compensation expense	--	--	12.2	--	--	12.2
Share options exercised	2.8	--	(0.2)	--	--	2.6
Share options lapsed	--	--	(0.4)	--	0.4	--
Purchase of treasury shares	--	(18.8)	--	--	--	(18.8)
Treasury shares reissued pursuant to employee share option plan	--	5.2	(0.4)	--	(0.7)	4.1
Balance at 30 June 2008	1,684.8	(46.8)	109.8	590.6	11,817.3	14,155.7

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 JUNE 2007 (in \$ million)**

The Company	Share capital	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2007	1,494.9	71.2	(18.1)	12,544.1	14,092.1
Net fair value changes on available-for-sale assets	--	--	5.3	--	5.3
Net fair value changes on cash flow hedges	--	--	13.4	--	13.4
Net income not recognised in the profit and loss account	--	--	18.7	--	18.7
Profit for the period April-June 2007	--	--	--	343.8	343.8
Net income recognised for the period	--	--	18.7	343.8	362.5
Share-based compensation expense	--	9.6	--	--	9.6
Share options exercised	101.2	(3.2)	--	--	98.0
Balance at 30 June 2007	1,596.1	77.6	0.6	12,887.9	14,562.2

**1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**SHARE CAPITAL AND OPTIONS ON SHARES IN THE COMPANY**

(i) Share Capital

During the period April to June 2008, the Company issued 231,643 shares upon exercise of options granted under the Employee Share Option Plan.

Group and Company	Number of Shares	Share Capital (\$ million)
Issued and fully paid share capital <u>Ordinary shares</u>		
Balance at 1 April 2008	1,186,334,147	1,682.0
Shares issued pursuant to share options exercised during the quarter	213,643	2.8
Balance at 30 June 2008	1,186,547,790	1,684.8

Treasury Shares

During the period April to June 2008, the Company purchased 1,208,000 of its ordinary shares by way of on-market purchases at share prices ranging from \$14.89 to \$16.07. The total amount paid to purchase the shares was \$18.8 million.

In addition, the Company transferred 352,583 of the treasury shares to employees on exercise of share options. Treasury shares are presented as a component within equity attributable to equity holders of the Company.

Group and Company	Number of Shares	Treasury Shares (\$ million)
Balance at 1 April 2008	2,301,000	(33.2)
Purchase of treasury shares	1,208,000	(18.8)
Treasury shares transferred on exercise of share options	(352,583)	5.2
Balance at 30 June 2008	3,156,417	(46.8)

The total number of issued ordinary shares less treasury shares as at 30 June 2008 was 1,183,391,373 (30 June 2007: 1,253,879,647).

(ii) Employee Share Option Plan

As at 30 June 2008, the number of share options of the Company outstanding was 55,206,690 (30 June 2007: 60,965,595).

During the period April to June 2008, 566,226 shares were exercised under the Singapore Airlines Limited Employee Share Option Plan, which comprises the Senior Executive Share Option Scheme for senior executives and the Employee Share Option Scheme for all other employees.

The movement of share options of the Company during the period April to June 2008 is as follows :

Date of grant	Balance at 01.04.2008	Cancelled during 01.04.2008 to 30.06.2008	Exercised during 01.04.2008 to 30.06.2008	Balance at 30.06.2008	Exercise price	Expiry date
28.03.2000	4,943,581	(158,600)	(70,800)	4,714,181	\$14.84	27.03.2010
03.07.2000	5,168,825	(166,380)	(9,600)	4,992,845	\$16.15	02.07.2010
02.07.2001	2,710,618	(92,270)	(65,280)	2,553,068	\$11.46	01.07.2011
01.07.2002	3,995,176	(110,795)	(168,670)	3,715,711	\$12.32	30.06.2012
01.07.2003	2,986,378	(49,590)	(64,773)	2,872,015	\$9.84	30.06.2013
01.07.2004	4,772,140	(47,310)	(56,641)	4,668,189	\$10.20	30.06.2014
01.07.2005	8,211,437	(60,065)	(114,260)	8,037,112	\$10.78	30.06.2015
03.07.2006	11,794,466	(106,090)	(16,202)	11,672,174	\$12.10	02.07.2016
02.07.2007	12,088,175	(106,780)	-	11,981,395	\$18.22	01.07.2017
	56,670,796	(897,880)	(566,226)	55,206,690		

\* Following approval by the Company's shareholders of the declaration of a special dividend of \$0.50 per share on 31 July 2007, the Board Compensation & Industrial Relations Committee approved a reduction of \$0.50 in the exercise prices of the shares options outstanding on 2 August 2007. The exercise prices reflected here are the exercise prices after such adjustment.

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

In addition to the Employee Share Option Plan, senior management staff are entitled to two share-based incentive plans, the RSP and PSP, which were approved by the shareholders of the Company on 28 July 2005.

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 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.

As at 30 June 2008, the number of outstanding shares granted under the Company's RSP and PSP were 786,657 (30 June 2007: 253,680) and 302,653 (30 June 2007: 140,900) respectively.

The details of the shares awarded under RSP and PSP are as follows:

Date of grant	Number of Restricted Shares		
	Balance at 01.04.2008	Cancelled	Balance at 30.06.2008
<b>RSP</b>			
27.07.2006	260,505	(1,653)	258,852
01.08.2007	527,805	-	527,805
	788,310	(1,653)	786,657

Date of grant	Number of Performance Shares		
	Balance at 01.04.2008	Cancelled	Balance at 30.06.2008
<b>PSP</b>			
27.07.2006	144,701	-	144,701
01.08.2007	157,952	-	157,952
	302,653	-	302,653

**2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The financial statements have not been audited or reviewed by our auditors.

**3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 March 2008 except for the adoption of the Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for financial year beginning on or after 1 April 2008. The adoption of these FRS and INT FRS has no significant impact to the Group.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	The Group	
	1st Quarter 2008-09	1st Quarter 2007-08
Earnings per share (cents)		
- Basic	30.3	33.9
- Diluted	30.0	33.3

**7 Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

	The Group		The Company	
	As at 30 Jun 08	As at 31 Mar 08	As at 30 Jun 08	As at 31 Mar 08
Net asset value per ordinary share (\$)	13.61	12.77	11.96	11.43

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**GROUP FINANCIAL PERFORMANCE**

First Quarter 2008-09

The SIA Group turned in a first quarter net profit attributable to equity holders of \$359 million, a decline of \$65 million (-15.4%) from the same quarter in the preceding year.

Group revenue improved \$510 million (+14.1%) on the back of growth in passenger carriage. However, Group expenditure increased by a higher amount of \$630 million (+19.9%) as a result of higher fuel cost.

Expenditure on fuel for the Group rose by \$739 million (+64.7%) as fuel prices reached new highs during the quarter. This was partially mitigated by hedging gains of \$349 million.

Group operating profit at \$343 million was \$120 million (-25.9%) lower year-on-year. The operating profit of the Parent Airline Company declined \$118 million (-30.8%) from the corresponding period in the previous year, on account of higher expenditure on fuel which increased 70.6% to \$1,557 million. Excluding fuel, passenger unit cost actually declined 2.2% as increase in non-fuel cost was held at a rate less than that of growth in capacity produced (7.2% versus 9.4% capacity growth).

The operating profits of the main operating companies in the Group are as follows:

- |                      |                |                                   |
|----------------------|----------------|-----------------------------------|
| • Singapore Airlines | \$ 265 million | (-30.8%)                          |
| • SATS               | \$ 38 million  | (-16.4%)                          |
| • SIA Engineering    | \$ 16 million  | (-43.8%)                          |
| • SilkAir            | \$ 10 million  | (+78.6%)                          |
| • SIA Cargo          | \$ 5 million   | (Loss of \$11 million previously) |

#### First Quarter Operating Performance

Singapore Airlines carried 4.8 million passengers during the quarter, a year-on-year increase of 3.5%.

Capacity (in available seat-kilometres) expanded by 9.4% over the same quarter in 2007, with the entry of new aircraft into service. This was not matched by the growth in passenger carriage (+6.3% in revenue passenger-kilometres). As a result, passenger load factor declined by 2.2 percentage points to 76.7%.

Passenger breakeven load factor rose 0.6 percentage point to 70.2% as unit cost increased at a faster rate (+8.7%) than yield (+7.8%).

SIA Cargo's freight traffic (in load tonne-kilometres) was 0.4% higher compared to last year. As capacity (in capacity tonne-kilometres) grew by a higher 1.6% during the quarter, cargo load factor declined 0.8 percentage point.

Cargo breakeven load factor fell 4.2 percentage points to 61.1%, with yield growing at a higher rate (+12.8%) than unit cost (+5.5%).

#### **BALANCE SHEET REVIEW**

Total equity attributable to equity holders increased by \$984.0 million from \$15,125.2 million as at 31 March 2008 to \$16,109.2 million as at 30 June 2008 from profits earned and increase in fair value reserve in the first quarter 2008. The increase in fair value reserve was mainly due to a fair value gain on outstanding fuel options and swap contracts consequent to a rise in fuel prices.

Total Group assets increased by \$1,467.5 million or 5.5% from 31 March 2008 to \$27,982.7 million as at 30 June 2008. This increase arose mainly from cash flows generated from operations in the Group (+\$960.3 million) and higher trade debtors balance of \$552.8 million, a result of revaluation of fuel hedging contracts. There was a decrease in property, plant and equipment of \$494.3 million arising mainly from depreciation of \$427.2 million.

As at 30 June 2008, total Group liabilities at \$11,351.2 million has increased \$464.9 million (+4.3%) from 31 March 2008, mainly from trade and other creditors of \$246.9 million.

**9 Whether a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

**OUTLOOK**

The outlook for the airline industry remains uncertain. The price of jet fuel has risen more than 75% year-on-year, and the strains on financial markets have not abated.

Under these circumstances, the companies in the Group are tracking trends closely and are in a good position to react nimbly.

**11 Dividend**

**(a) Current Financial Period Reported on**

**Any dividend declared for the current financial period reported on?**

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12 If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13 Interested Person Transactions**

Interested person transactions conducted during the first quarter of Financial Year 2008/09:

Name of Interested Person	Aggregate value of all interested person transactions during the quarter under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding IPTs less than \$100,000)
	1st Quarter 2008-09 S(\$)	1st Quarter 2008-09 S(\$)
<b>Singapore Technologies Engineering Ltd Group</b> - Miltope Corporation - ST Aerospace Engineering Pte Ltd	-	220,488 123,427
<b>Singapore Telecommunications Ltd Group</b> - Singapore Telecommunications Ltd	-	3,979,123
<b>Temasek Holdings Pte Ltd Group</b> - Aspremise Pte Ltd - Certis CISCO Security Pte Ltd - Great Walls Airlines Co Ltd - Temasek Holdings (Private) Limited	-	553,802 532,475 118,980 170,720
Total interested persons transactions	-	5,699,015

By Order of the Board

Ethel Tan (Mrs)  
Company Secretary  
28 July 2008



**CONFIRMATION BY THE BOARD**

We, Stephen Lee Ching Yen and Chew Choon Seng, being two directors of Singapore Airlines Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter FY2008/09 financial results to be false or misleading in any material respect.

On behalf of the Board,



STEPHEN LEE CHING YEN  
Chairman



CHEW CHOON SENG  
Chief Executive Officer

28 July 2008