



**UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR  
ENDED 30 SEPTEMBER 2015**

**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 SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2015 (in \$ million)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
<b>REVENUE</b>	<b>3,844.8</b>	<b>3,905.1</b>	<b>7,578.1</b>	<b>7,587.3</b>
<b>EXPENDITURE</b>				
Staff costs	613.9	581.2	1,202.6	1,160.1
Fuel costs	1,211.6	1,428.9	2,464.1	2,802.1
Depreciation	392.2	361.4	782.8	732.3
Impairment of property, plant and equipment	-	-	8.2	-
Amortisation of intangible assets	8.0	6.5	15.8	12.9
Aircraft maintenance and overhaul costs	204.3	154.7	389.0	311.4
Commission and incentives	102.6	96.1	189.9	175.0
Landing, parking and overflying charges	189.7	184.1	376.6	369.0
Handling charges	286.8	258.8	564.0	519.9
Rentals on leased aircraft	240.5	185.2	427.2	363.3
Material costs	16.0	15.1	30.8	33.8
Inflight meals	141.8	141.6	273.8	282.3
Advertising and sales costs	80.1	64.0	145.4	112.9
Insurance expenses	10.3	11.0	20.9	21.4
Company accommodation and utilities	29.9	28.9	58.4	59.5
Other passenger costs	45.5	43.9	91.3	87.3
Crew expenses	37.2	37.8	72.7	74.6
Other operating expenses	105.8	174.2	224.6	298.3
	<b>3,716.2</b>	<b>3,773.4</b>	<b>7,338.1</b>	<b>7,416.1</b>
<b>OPERATING PROFIT</b>	<b>128.6</b>	<b>131.7</b>	<b>240.0</b>	<b>171.2</b>
Finance charges	(13.3)	(12.4)	(26.6)	(24.0)
Interest income	21.2	16.9	39.0	33.8
(Loss)/Surplus on disposal of aircraft, spares and spare engines	(2.0)	44.4	(2.6)	54.1
Dividends from long-term investments	91.1	3.0	103.3	5.3
Other non-operating items	6.6	(0.5)	13.4	5.5
Share of profits of joint venture companies	6.7	17.3	6.0	33.6
Share of profits/(losses) of associated companies	0.9	(104.0)	(6.2)	(122.9)
<b>PROFIT BEFORE EXCEPTIONAL ITEMS</b>	<b>239.8</b>	<b>96.4</b>	<b>366.3</b>	<b>156.6</b>
<b>EXCEPTIONAL ITEMS</b>	<b>-</b>	<b>(10.4)</b>	<b>-</b>	<b>(10.1)</b>
<b>PROFIT BEFORE TAXATION</b>	<b>239.8</b>	<b>86.0</b>	<b>366.3</b>	<b>146.5</b>
<b>TAXATION</b>	<b>(20.7)</b>	<b>15.0</b>	<b>(45.6)</b>	<b>3.0</b>
<b>PROFIT FOR THE PERIOD</b>	<b>219.1</b>	<b>101.0</b>	<b>320.7</b>	<b>149.5</b>
<b>PROFIT ATTRIBUTABLE TO:</b>				
OWNERS OF THE PARENT	213.6	90.9	304.8	125.7
NON-CONTROLLING INTERESTS	5.5	10.1	15.9	23.8
	<b>219.1</b>	<b>101.0</b>	<b>320.7</b>	<b>149.5</b>
<b>BASIC EARNINGS PER SHARE (CENTS)</b>	<b>18.3</b>	<b>7.7</b>	<b>26.1</b>	<b>10.7</b>
<b>DILUTED EARNINGS PER SHARE (CENTS)</b>	<b>18.2</b>	<b>7.7</b>	<b>26.0</b>	<b>10.6</b>

**Notes:**

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

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
Compensation for changes in aircraft delivery slots	(10.7)	(17.2)	(120.8)	(34.1)
Interest income from short-term investments	(0.3)	(0.2)	(0.5)	(0.4)
Dividend income from short-term investments	(0.3)	(0.3)	(0.7)	(0.7)
Income from operating lease of aircraft	(13.2)	(4.4)	(26.3)	(11.1)
Amortisation of deferred gain on sale and operating leaseback transactions	(0.9)	(1.7)	(4.2)	(3.3)
Loss/(Surplus) on disposal of short-term investments	1.4	(0.5)	0.6	(3.3)
Bad debts written off	-	0.8	-	1.0
Impairment of trade debtors	0.5	1.5	1.2	1.5
Writedown on inventories	4.5	6.2	11.1	12.3
Exchange loss, net	4.5	28.8	35.7	38.4
Currency hedging (gain)/loss	(36.4)	4.3	(73.1)	8.7
Fuel hedging loss/(gain) recognised in "Fuel costs"	306.6	9.5	569.3	(10.9)
Ineffectiveness of fuel hedging contracts recognised in "Fuel costs"	(0.3)	13.0	0.2	(0.6)
(Over)/Underprovision of tax in respect of prior years	(1.0)	(49.6)	6.9	(49.1)

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

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
Surplus/(Loss) on disposal of other property, plant and equipment	0.5	(0.5)	7.3	(0.1)
Surplus on disposal of a subsidiary company	3.3	-	3.3	5.8
Surplus on partial disposal of an associated company	2.8	-	2.8	-
Loss on liquidation of an associated company	-	-	-	(0.2)
	<u>6.6</u>	<u>(0.5)</u>	<u>13.4</u>	<u>5.5</u>

(iii) Exceptional items comprise the following:

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
Gain on divestment of an associated company	-	-	-	7.3
Impairment of freighters	-	-	-	(7.0)
Refund on appeal for anti-trust fine	-	1.0	-	1.0
Provision for competition-related fine and settlements	-	(11.4)	-	(11.4)
	<u>-</u>	<u>(10.4)</u>	<u>-</u>	<u>(10.1)</u>

(iii) Exceptional items comprise the following (continued):

In the first half of the previous financial year:

1. The Company recorded an additional gain of \$7.3 million on the sale of Virgin Atlantic Limited arising from certain post-closing adjustments.
2. Singapore Airlines Cargo ("SIA Cargo") recorded an additional impairment loss of \$7.0 million on two surplus freighters that had been removed from the operating fleet, based on the sale price of the freighters.
3. In respect of the air cargo investigation by competition authorities, SIA Cargo's appeal against the Seoul High Court judgment to the Supreme Court was partially successful. As a result, in September 2014, the South Korean Fair Trade Commission refunded KRW793.2 million (\$1.0 million) to SIA Cargo, being part of the fine amount paid previously.
4. With regard to anti-trust litigation in the United States, SIA entered into a settlement agreement (with no admission of liability) with the plaintiffs in August 2014. In accordance with the agreement, SIA has made payment of USD9.2 million (\$11.4 million) into an escrow account. The court has entered an order finally approving the settlement, but the lone objector (to a number of settlements, including SIA's) has filed an appeal. Until that appeal is resolved, the money remains in escrow.

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2015 (in \$ million)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
<b>PROFIT FOR THE PERIOD</b>	219.1	101.0	320.7	149.5
<b>OTHER COMPREHENSIVE INCOME:</b>				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation differences	9.4	(3.5)	(10.6)	(5.8)
Available-for-sale financial assets	(5.7)	(0.6)	(7.5)	61.0
Adjustment on acquisition of an associated company	-	15.0	-	15.0
Cash flow hedges	(129.7)	(212.2)	114.8	(122.8)
Surplus on dilution of interest in an associated company due to share options exercised	-	0.2	-	0.2
Share of other comprehensive income of associated and joint venture companies	0.8	(6.7)	7.1	(4.5)
Realisation of reserves on liquidation of an associated company	-	-	-	(0.5)
	<u>(125.2)</u>	<u>(207.8)</u>	<u>103.8</u>	<u>(57.4)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<u>93.9</u>	<u>(106.8)</u>	<u>424.5</u>	<u>92.1</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
<b>OWNERS OF THE PARENT</b>	84.1	(119.3)	401.1	64.4
<b>NON-CONTROLLING INTERESTS</b>	9.8	12.5	23.4	27.7
	<u>93.9</u>	<u>(106.8)</u>	<u>424.5</u>	<u>92.1</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.**

**STATEMENTS OF FINANCIAL POSITION AT 30 SEPTEMBER 2015 (in \$ million)**

	The Group		The Company	
	30-Sep 2015	31-Mar 2015	30-Sep 2015	31-Mar 2015
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>				
Share capital	1,856.1	1,856.1	1,856.1	1,856.1
Treasury shares	(387.7)	(326.3)	(387.7)	(326.3)
Other reserves	11,130.2	10,933.8	10,327.3	10,049.5
	12,598.6	12,463.6	11,795.7	11,579.3
<b>NON-CONTROLLING INTERESTS</b>	465.8	466.5	-	-
<b>TOTAL EQUITY</b>	13,064.4	12,930.1	11,795.7	11,579.3
<b>DEFERRED ACCOUNT</b>	257.4	141.7	222.4	115.1
<b>DEFERRED TAXATION</b>	1,676.2	1,599.6	1,347.3	1,325.5
<b>LONG-TERM LIABILITIES</b>	1,364.3	1,370.0	1,003.1	1,001.0
<b>PROVISIONS</b>	862.4	936.9	605.6	682.9
<b>DEFINED BENEFIT PLANS</b>	158.4	160.4	150.2	152.4
	17,383.1	17,138.7	15,124.3	14,856.2
Represented by:-				
<b>PROPERTY, PLANT AND EQUIPMENT</b>				
Aircraft, spares and spare engines	10,271.7	9,957.5	7,278.0	7,700.3
Land and buildings	202.9	209.4	57.3	59.9
Others	3,430.2	3,356.3	2,502.3	2,146.2
	13,904.8	13,523.2	9,837.6	9,906.4
<b>INTANGIBLE ASSETS</b>	506.0	497.6	165.1	159.4
<b>SUBSIDIARY COMPANIES</b>	-	-	3,844.4	3,364.7
<b>ASSOCIATED COMPANIES</b>	920.2	922.2	515.0	472.4
<b>JOINT VENTURE COMPANIES</b>	154.5	167.9	-	-
<b>LONG-TERM INVESTMENTS</b>	1,137.0	1,125.0	1,112.2	1,100.2
<b>OTHER RECEIVABLES</b>	169.8	163.9	20.2	17.9
<b>DEFERRED ACCOUNT</b>	14.3	56.4	-	36.3
<b>CURRENT ASSETS</b>				
Inventories	191.5	202.0	116.8	131.7
Trade debtors	1,437.5	1,486.9	955.9	993.7
Deposits and other debtors	57.3	43.4	38.7	22.5
Prepayments	141.9	124.6	110.1	92.9
Amounts owing by subsidiary companies	-	-	290.9	311.5
Investments	236.2	168.6	171.3	102.7
Derivative assets	86.1	114.4	76.1	107.0
Cash and bank balances	4,872.8	5,254.1	4,248.1	4,646.5
Assets held for sale	72.8	71.0	-	-
	7,096.1	7,465.0	6,007.9	6,408.5
Less: <b>CURRENT LIABILITIES</b>				
Sales in advance of carriage	1,752.9	1,464.7	1,580.2	1,328.6
Deferred revenue	630.6	612.5	630.6	612.5
Current tax payable	120.1	161.9	76.4	111.4
Trade and other creditors	2,834.8	2,906.5	2,149.6	2,088.6
Amounts owing to subsidiary companies	-	-	939.8	1,048.7
Finance lease commitments	34.4	54.1	-	-
Loans	90.2	93.0	-	-
Notes payable	-	300.0	-	300.0
Provisions	201.8	170.2	172.8	138.0
Derivative liabilities	854.8	1,019.6	828.7	981.8
	6,519.6	6,782.5	6,378.1	6,609.6
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	576.5	682.5	(370.2)	(201.1)
	17,383.1	17,138.7	15,124.3	14,856.2

**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 September 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
\$115.0M	\$9.6M	\$137.8M	\$309.3M

Amount repayable after one year

As at 30 September 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
\$243.5M	\$1,026.5M	\$268.5M	\$1,023.9M

Details of any collateral

The secured borrowings pertained to secured bank loans (\$288.5 million) and finance leases of aircraft (\$70.0 million). The secured bank loans are secured via assignment of the aircraft purchase agreement, assignment of engine warranty and credit agreement as well as mortgage of the aircraft.

**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 STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2015 (in \$ million)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation	239.8	86.0	366.3	146.5
Adjustments for:				
Depreciation	392.2	361.4	782.8	732.3
Impairment of property, plant and equipment	-	-	8.2	-
Amortisation of intangible assets	8.0	6.5	15.8	12.9
Impairment of trade debtors	0.5	1.5	1.2	1.5
Writedown of inventories	4.5	6.2	11.1	12.3
Income from short-term investments	(0.6)	(0.5)	(1.2)	(1.1)
Provisions	63.7	116.1	67.8	169.7
Share-based compensation expense	3.2	2.9	6.1	4.8
Exchange differences	(53.6)	(0.2)	(32.4)	4.1
Amortisation of deferred gain on sale and operating leaseback transactions	(0.9)	(1.7)	(4.2)	(3.3)
Finance charges	13.3	12.4	26.6	24.0
Interest income	(21.2)	(16.9)	(39.0)	(33.8)
Loss/(Surplus) on disposal of aircraft, spares and spare engines	2.0	(44.4)	2.6	(54.1)
Dividends from long-term investments	(91.1)	(3.0)	(103.3)	(5.3)
Other non-operating items	(6.6)	0.5	(13.4)	(5.5)
Share of profits of joint venture companies	(6.7)	(17.3)	(6.0)	(33.6)
Share of (profits)/losses of associated companies	(0.9)	104.0	6.2	122.9
Exceptional items	-	10.4	-	10.1
Operating cash flow before working capital changes	545.6	623.9	1,095.2	1,104.4
Increase/(Decrease) in trade and other creditors	31.4	(47.4)	(9.7)	(163.0)
Increase/(Decrease) in sales in advance of carriage	102.2	(6.8)	288.2	128.7
(Increase)/Decrease in trade debtors	(35.1)	(14.4)	70.9	161.7
Increase in deposits and other debtors	(6.1)	(9.6)	(15.9)	(5.1)
Decrease/(Increase) in prepayments	1.0	(7.0)	(17.4)	(24.5)
(Increase)/Decrease in inventories	(8.3)	2.2	(0.6)	4.8
Increase in deferred revenue	11.8	12.1	18.1	20.6
Cash generated from operations	642.5	553.0	1,428.8	1,227.6
Income taxes paid	(27.9)	(62.5)	(32.0)	(90.3)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>614.6</b>	<b>490.5</b>	<b>1,396.8</b>	<b>1,137.3</b>

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure	(746.0)	(560.6)	(1,338.5)	(1,111.7)
Purchase of intangible assets	(14.6)	(8.1)	(22.1)	(14.6)
Proceeds from disposal of aircraft and other property, plant and equipment	99.9	863.8	167.6	910.3
Purchase of long-term investments	(103.7)	(284.1)	(127.5)	(313.1)
Proceeds from disposal of long-term investments	-	9.8	-	9.8
(Purchase of)/Proceeds from disposal of short-term investments	(7.1)	(40.5)	37.3	58.8
Dividends received from associated and joint venture companies	25.7	25.1	37.4	52.1
Dividends received from investments	91.5	3.3	104.0	6.0
Interest received from investments and deposits	21.0	11.6	37.3	24.2
Proceeds from liquidation of an associated company	-	-	-	18.5
Proceeds from disposal of an associated company	-	-	-	7.3
Proceeds from disposal of a subsidiary company, net of cash disposed	0.1	-	0.1	8.9
Acquisition of additional interest in a subsidiary company	-	-	-	(3.4)
Investment in associated companies	(21.5)	(7.0)	(42.6)	(7.0)
Investment in joint venture companies	-	(3.4)	-	(3.4)
Proceeds from partial disposal of an associated company	4.9	-	4.9	-
<b>NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>	<b>(649.8)</b>	<b>9.9</b>	<b>(1,142.1)</b>	<b>(357.3)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividends paid	(199.1)	(422.8)	(199.1)	(422.8)
Dividends paid by subsidiary companies to non-controlling interests	(24.3)	(47.7)	(25.0)	(55.6)
Interest paid	(15.2)	(13.2)	(28.7)	(15.3)
Proceeds from borrowings	0.4	1.2	1.6	4.6
Repayment of borrowings	(9.3)	-	(18.5)	-
Repayment of long-term lease liabilities	(17.0)	(13.0)	(31.7)	(25.8)
Proceeds from exercise of share options	0.3	6.8	18.1	30.7
Proceeds from issuance of bonds	-	-	-	500.0
Repayment of bonds	(300.0)	-	(300.0)	-
Purchase of treasury shares	(84.1)	(54.7)	(85.4)	(79.4)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(648.3)</b>	<b>(543.4)</b>	<b>(668.7)</b>	<b>(63.6)</b>
<b>NET CASH (OUTFLOW)/INFLOW</b>	<b>(683.5)</b>	<b>(43.0)</b>	<b>(414.0)</b>	<b>716.4</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>5,490.8</b>	<b>5,634.5</b>	<b>5,254.1</b>	<b>4,883.9</b>
Effect of exchange rate changes	65.5	12.1	32.7	3.3
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>4,872.8</b>	<b>5,603.6</b>	<b>4,872.8</b>	<b>5,603.6</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>				
Fixed deposits	3,976.4	4,661.7	3,976.4	4,661.7
Cash and bank	896.4	941.9	896.4	941.9
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>4,872.8</b>	<b>5,603.6</b>	<b>4,872.8</b>	<b>5,603.6</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 SECOND QUARTER ENDED 30 SEPTEMBER 2015 (in \$ million)**

The Group	Attributable to Owners of the Parent							Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve			
Balance at 1 July 2015	1,856.1	(307.7)	214.7	(158.9)	105.8	(457.5)	11,543.8	12,796.3	481.3	13,277.6
<u>Comprehensive income</u>										
Currency translation differences	-	-	-	5.1	-	-	-	5.1	4.3	9.4
Net fair value changes on available-for-sale assets	-	-	-	-	-	(5.7)	-	(5.7)	-	(5.7)
Net fair value changes on cash flow hedges	-	-	-	-	-	(129.7)	-	(129.7)	-	(129.7)
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	0.1	0.7	-	0.8	-	0.8
Other comprehensive income for the period	-	-	-	5.1	0.1	(134.7)	-	(129.5)	4.3	(125.2)
Profit for the period	-	-	-	-	-	-	213.6	213.6	5.5	219.1
Total comprehensive income for the period, net of tax	-	-	-	5.1	0.1	(134.7)	213.6	84.1	9.8	93.9
<u>Transactions with owners, recorded directly in equity</u>										
<u>Contributions by and distributions to owners</u>										
Surplus on dilution of interest in subsidiary companies due to share options exercised	-	-	-	-	(1.4)	-	(0.6)	(2.0)	2.1	0.1
Share-based compensation expense	-	-	-	-	3.2	-	-	3.2	-	3.2
Share options lapsed	-	-	-	-	(0.7)	-	0.7	-	-	-
Purchase of treasury shares	-	(84.1)	-	-	-	-	-	(84.1)	-	(84.1)
Treasury shares reissued pursuant to equity compensation plans	-	4.1	(0.5)	-	(3.4)	-	-	0.2	-	0.2
Dividends	-	-	-	-	-	-	(199.1)	(199.1)	(24.3)	(223.4)
Total contributions by and distributions to owners	-	(80.0)	(0.5)	-	(2.3)	-	(199.0)	(281.8)	(22.2)	(304.0)
<u>Changes in ownership interests in subsidiaries</u>										
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	(3.1)	(3.1)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(3.1)	(3.1)
Total transactions with owners	-	(80.0)	(0.5)	-	(2.3)	-	(199.0)	(281.8)	(25.3)	(307.1)
Balance at 30 September 2015	<u>1,856.1</u>	<u>(387.7)</u>	<u>214.2</u>	<u>(153.8)</u>	<u>103.6</u>	<u>(592.2)</u>	<u>11,558.4</u>	<u>12,598.6</u>	<u>465.8</u>	<u>13,064.4</u>

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2014 (in \$ million)**

The Group	Attributable to Owners of the Parent							Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve			
Balance at 1 July 2014	1,856.1	(267.1)	121.7	(105.8)	124.4	112.6	11,573.9	13,415.8	348.5	13,764.3
<b>Comprehensive income</b>										
Currency translation differences	-	-	-	(5.9)	-	-	-	(5.9)	2.4	(3.5)
Net fair value changes on available-for-sale assets	-	-	-	-	-	(0.6)	-	(0.6)	-	(0.6)
Adjustment on acquisition of an associated company	-	-	-	-	-	15.0	-	15.0	-	15.0
Net fair value changes on cash flow hedges	-	-	-	-	-	(212.2)	-	(212.2)	-	(212.2)
Surplus on dilution of interest in an associated company due to share options exercised	-	-	-	-	-	-	0.2	0.2	-	0.2
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	(0.2)	(6.5)	-	(6.7)	-	(6.7)
Other comprehensive income for the period	-	-	-	(5.9)	(0.2)	(204.3)	0.2	(210.2)	2.4	(207.8)
Profit for the period	-	-	-	-	-	-	90.9	90.9	10.1	101.0
Total comprehensive income for the period, net of tax	-	-	-	(5.9)	(0.2)	(204.3)	91.1	(119.3)	12.5	(106.8)
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Surplus on dilution of interest in subsidiary companies due to share options exercised	-	-	-	-	(2.8)	-	4.7	1.9	3.6	5.5
Share-based compensation expense	-	-	-	-	2.9	-	-	2.9	-	2.9
Share options lapsed	-	-	-	-	(1.0)	-	1.0	-	-	-
Purchase of treasury shares	-	(54.7)	-	-	-	-	-	(54.7)	-	(54.7)
Treasury shares reissued pursuant to equity compensation plans	-	6.0	1.4	-	(6.1)	-	-	1.3	-	1.3
Dividends	-	-	-	-	-	-	(422.8)	(422.8)	(47.7)	(470.5)
Total transactions with owners	-	(48.7)	1.4	-	(7.0)	-	(417.1)	(471.4)	(44.1)	(515.5)
Balance at 30 September 2014	1,856.1	(315.8)	123.1	(111.7)	117.2	(91.7)	11,247.9	12,825.1	316.9	13,142.0

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 July 2015	1,856.1	(307.7)	(5.7)	88.6	(378.3)	10,659.2	11,912.2
<u>Comprehensive income</u>							
Net fair value changes on available-for-sale assets	-	-	-	-	(3.0)	-	(3.0)
Net fair value changes on cash flow hedges	-	-	-	-	(93.4)	-	(93.4)
Other comprehensive income for the period	-	-	-	-	(96.4)	-	(96.4)
Profit for the period	-	-	-	-	-	260.3	260.3
Total comprehensive income for the period, net of tax	-	-	-	-	(96.4)	260.3	163.9
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Share-based compensation expense	-	-	-	2.6	-	-	2.6
Share options lapsed	-	-	-	(0.7)	-	0.7	-
Purchase of treasury shares	-	(84.1)	-	-	-	-	(84.1)
Treasury shares reissued pursuant to equity compensation plans	-	4.1	(0.5)	(3.4)	-	-	0.2
Dividends	-	-	-	-	-	(199.1)	(199.1)
Total transactions with owners	-	(80.0)	(0.5)	(1.5)	-	(198.4)	(280.4)
Balance at 30 September 2015	1,856.1	(387.7)	(6.2)	87.1	(474.7)	10,721.1	11,795.7

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2014 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 July 2014	1,856.1	(267.1)	(8.7)	105.0	82.7	10,525.9	12,293.9
<u>Comprehensive income</u>							
Net fair value changes on available-for-sale assets	-	-	-	-	0.4	-	0.4
Adjustment on acquisition of an associated company	-	-	-	-	15.0	-	15.0
Net fair value changes on cash flow hedges	-	-	-	-	(173.7)	-	(173.7)
Other comprehensive income for the period	-	-	-	-	(158.3)	-	(158.3)
Profit for the period	-	-	-	-	-	338.9	338.9
Total comprehensive income for the period, net of tax	-	-	-	-	(158.3)	338.9	180.6
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Share-based compensation expense	-	-	-	1.8	-	-	1.8
Share options lapsed	-	-	-	(1.0)	-	1.0	-
Purchase of treasury shares	-	(54.7)	-	-	-	-	(54.7)
Treasury shares reissued pursuant to equity compensation plans	-	6.0	1.4	(6.1)	-	-	1.3
Dividends	-	-	-	-	-	(422.8)	(422.8)
Total transactions with owners	-	(48.7)	1.4	(5.3)	-	(421.8)	(474.4)
Balance at 30 September 2014	1,856.1	(315.8)	(7.3)	99.7	(75.6)	10,443.0	12,000.1

**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 SHARE PLANS IN THE COMPANY**

#### Share Capital

During the period July to September 2015, the Company did not issue any shares upon exercise of options pursuant to share options exercised under the Employee Share Option Plan, as treasury shares were transferred to the employees.

Group and Company	Number of Shares	Share Capital (\$ million)
Issued and fully paid share capital <u>Ordinary Shares</u>		
Balance at 1 July 2015	1,199,851,018	1,856.1
Shares issued pursuant to exercise of options during the period July to September 2015	-	-
Balance at 30 September 2015	1,199,851,018	1,856.1

As at 30 September 2015, the number of ordinary shares in issue was 1,199,851,018 of which 36,655,220 were held by the Company as treasury shares (30 September 2014: 1,199,851,018 ordinary shares of which 29,224,320 were held as treasury shares). The share capital was \$1,856.1 million.

#### Employee Share Option Plan

As at 30 September 2015, the number of share options of the Company outstanding was 22,058,715 (30 September 2014: 27,522,109). During the period July to September 2015, 25,693 options 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. Treasury shares were transferred to the employees on exercise of these share options.

The movement of share options of the Company during the period July to September 2015 is as follows:

Date of Grant	Balance at 01.07.2015	Cancelled	Exercised	Balance at 30.09.2015	Exercise price*	Expiry date
03.07.2006	4,465,538	(21,946)	(25,693)	4,417,899	\$9.34	02.07.2016
02.07.2007	9,305,817	(102,695)	-	9,203,122	\$15.46	01.07.2017
01.07.2008	8,522,909	(85,215)	-	8,437,694	\$12.07	30.06.2018
	22,294,264	(209,856)	(25,693)	22,058,715		

\* 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 share options outstanding on 2 August 2007. The said Committee approved another \$1.71 reduction in the exercise prices of the share options outstanding on 28 August 2009 following approval by the Company's shareholders of the dividend *in specie* of SATS shares on 31 July 2009. The Committee approved another reduction of \$0.80 in the exercise prices of the share options outstanding on 18 August 2011, following approval by the Company's shareholders of the declaration of a special dividend of \$0.80 per share on 29 July 2011. Following approval by the Company's shareholders of the declaration of a special dividend of \$0.25 per share on 30 July 2014, the Committee approved another reduction of \$0.25 in the exercise prices of the share options outstanding on 14 August 2014. The exercise prices reflected here are the exercise prices after such adjustments.

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 first approved by the shareholders of the Company on 28 July 2005 and expired on 27 July 2015. On 30 July 2014, the shareholders of the Company approved the RSP 2014 and PSP 2014, which replaced the RSP and PSP respectively.

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 150% of the initial grant of the restricted shares and between 0% and 200% of the initial grant of the performance shares.

As at 30 September 2015, the number of outstanding shares granted under the Company's RSP and PSP were 1,692,528 (30 September 2014: 1,575,637) and 716,693 respectively (30 September 2014: 650,398).

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

Date of Grant	Number of Restricted Shares				Balance at 30.09.2015
	Balance at 01.07.2015	Granted	Adjustment <sup>#</sup>	Vested	
<b>RSP</b>					
01.07.2011	15,216	-	-	(15,216)	-
10.07.2012	220,910	-	-	(118,722)	102,188
15.07.2013	650,438	-	(242,788)	(221,475)	186,175
03.07.2014	689,073	-	-	-	689,073
03.07.2015	-	715,092	-	-	715,092
	1,575,637	715,092	(242,788)	(355,413)	1,692,528

<sup>#</sup> Adjustment at the end of two-year performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

Date of Grant	Number of Performance Shares				Balance at 30.09.2015
	Balance at 01.07.2015	Granted	Adjustment <sup>#</sup>	Vested	
<b>PSP</b>					
10.07.2012	173,405	-	(173,405)	-	-
15.07.2013	228,425	-	-	-	228,425
03.07.2014	248,568	-	-	-	248,568
03.07.2015	-	239,700	-	-	239,700
	650,398	239,700	(173,405)	-	716,693

<sup>#</sup> Adjustment at the end of three-year performance period upon meeting stated performance targets and adjustment for number of days in service for retirees.

In addition, the Board Compensation & Industrial Relations Committee approved a special time-based RSP in FY2010-11 to be granted to senior management. The details of the shares awarded under the special time-based RSP are as follows:

Date of Grant	Number of Time-based Restricted Shares			Balance at 30.09.2015
	Balance at 01.07.2015	Granted	Vested	
<b>RSP</b>				
07.05.2010	13,566	-	(2,713)	10,853

Deferred Share Award ("DSA")

One-off grants of Deferred Share Award of fully paid ordinary shares were granted to senior management. At the end of a 3-year vesting period, an additional final award will be vested equal to the Base Award multiplied by the accumulated dividend yield. The details of the Deferred Share Award are as follows:

Date of Grant	Number of Deferred Share Award			Balance at 30.09.2015
	Balance at 01.07.2015	Granted	Vested	
<b>DSA</b>				
04.09.2013	154,557	-	-	154,557
28.08.2014	73,470	-	-	73,470
10.09.2015	-	74,790	-	74,790
	228,027	74,790	-	302,817

**1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 30 September 2015, the number of ordinary shares in issue was 1,199,851,018 of which 36,655,220 were held by the Company as treasury shares (30 September 2014: 1,199,851,018 ordinary shares of which 29,224,320 were held as treasury shares.)

**1(d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the period July to September 2015, the Company purchased 8,312,200 treasury shares (July to September 2014: 5,429,000).

The Company transferred 25,693 treasury shares to employees on exercise of share options and another 358,126 treasury shares on vesting of share-based incentive plans (July to September 2014: 159,285 on exercise of share options and 398,726 on vesting of share-based incentive plans). Treasury shares are presented as a component within equity attributable to owners of the parent.

Group and Company	Number of Shares	Treasury Shares (\$ million)
Balance at 1 July 2015	28,726,839	(307.7)
Purchase of treasury shares	8,312,200	(84.1)
Treasury shares transferred on exercise of share options	(25,693)	0.3
Treasury shares transferred on vesting of share-based incentive plans	(358,126)	3.8
Balance at 30 September 2015	36,655,220	(387.7)

**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.**

Except as disclosed below, 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 2015. The adoption of the new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for financial year beginning on or after 1 April 2015 has no significant impact on the Group.

During the period, the Group revised the estimated useful lives of certain of its overhaul assets to better reflect the economic useful lives with effect from 1 April 2015. The effect of this change is a reduction in depreciation expense of approximately \$4.9 million for the quarter ended 30 September 2015 and approximately \$9.7 million for the half year ended 30 September 2015.

**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			
	2 <sup>nd</sup> Quarter 2015-16	2 <sup>nd</sup> Quarter 2014-15	1 <sup>st</sup> Half 2015-16	1 <sup>st</sup> Half 2014-15
Earnings per share (cents)				
- Basic	18.3	7.7	26.1	10.7
- Diluted	18.2	7.7	26.0	10.6

**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 Sep 15	As at 31 Mar 15	As at 30 Sep 15	As at 31 Mar 15
Net asset value per ordinary share (\$)	10.83	10.66	10.14	9.90

**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**

The Group earned an operating profit of \$240 million in the first half of the 2015-16 financial year, \$69 million higher (+40.4%) than last year.

#### First Half Operating Results Excluding Tiger Airways<sup>1</sup>

Excluding Tiger Airways, Group operating profit improved \$79 million (+46.2%) year-on-year to \$250 million.

Group revenue declined \$345 million to \$7,242 million (-4.5%). Passenger flown revenue fell \$204 million or 3.5%, mainly attributable to lower flown revenue from the Parent Airline Company, as passenger carriage and yield declined against the same period last year. Cargo and mail revenue recorded an \$87 million decline (-7.9%), as both load factor and yield suffered from overcapacity in the market. Engineering services revenue fell \$53 million (-22.5%) on the back of reduced overhaul activities. Income earned upon the release of seven A350-900 delivery slots originally planned for FY2017-18 and FY2018-19<sup>2</sup> was offset by a fall in other incidental revenue.

Group expenditure fell \$424 million to \$6,992 million (-5.7%), on the back of a \$458 million reduction (-16.3%) in net fuel expenditure. Average jet fuel price was 41.1% lower than one year ago, providing \$1,158 million in cost savings. This was partially offset by the strengthening of the US Dollar against the Singapore Dollar (+\$142 million). As a result, Group fuel cost before hedging declined \$1,015 million or 36.1%. The reduction was partly eroded by a \$545 million hedging loss (+\$557 million), resulting from 57.0% of the Group's fuel requirement for the half year being hedged at a weighted average price of USD106 per barrel. Ex-fuel costs were up \$34 million or 0.7% from last year, partly attributable to SilkAir's and Scoot's expansion.

	<b>FIRST HALF</b>			<b>SECOND QUARTER</b>		
	Ex-Tiger			Ex-Tiger		
	Apr-Sep 2015	Apr-Sep 2015	Apr-Sep 2014	Jul-Sep 2015	Jul-Sep 2015	Jul-Sep 2014
<b>SIA GROUP</b>	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
Total revenue	7,578	7,242	7,587	3,845	3,677	3,905
Fuel cost	2,464	2,344	2,802	1,211	1,153	1,429
Ex-fuel cost	4,874	4,648	4,614	2,505	2,385	2,344
Total expenditure	7,338	6,992	7,416	3,716	3,538	3,773
<b>OPERATING PROFIT</b>	<b>240</b>	<b>250</b>	<b>171</b>	<b>129</b>	<b>139</b>	<b>132</b>

<sup>1</sup> Tiger Airways was consolidated with effect from October 2014. This section is presented to facilitate a meaningful year-on-year comparison of results, as the results for Tiger Airways were not consolidated as part of SIA Group in the first half of FY2014-15.

<sup>2</sup> The agreement was signed with Airbus in the first quarter of FY2015-16 to release seven production slots for A350-900 aircraft, reducing to 63 the number of A350-900s on firm order, while 20 purchase options remained unchanged.



### First Half Net Profit

The Group posted a net profit of \$305 million, an increase of \$179 million from the same period last year.

The Group's share of losses of associated companies declined by \$117 million, mainly due to the reclassification of Tiger Airways as a subsidiary company. In addition, higher dividends were received from long term investments (+\$98 million). These were partially offset by lower gains on disposal of aircraft (-\$57 million), tax expense compared to a credit last year (-\$49 million), and weaker share of results of joint ventures (-\$28 million).

The operating results of the main companies in the Group for the first half of the financial year were as follows:

	1st Half FY2015-16 \$ million	1st Half FY2014-15 \$ million
<u>Operating Profit/(Loss)</u>		
Parent Airline Company	206	183
SIA Engineering	48	37
SilkAir	26	5
SIA Cargo	(12)	(34)
Scout	(22)	(44)

Operating profit for the Parent Airline Company increased \$23 million to \$206 million in the first half of the financial year. Total revenue declined \$324 million, largely attributable to a \$278 million reduction in passenger flown revenue stemming from a 1.7% fall in passenger carriage and a 3.7% drop in passenger yield. Bellyhold revenue from SIA Cargo reduced by \$58 million. Other revenue was also lower, but was mitigated by income earned upon the release of seven aircraft delivery slots. Expenditure was down \$347 million, with \$387 million in savings from a reduction in net fuel costs, partially offset by higher aircraft maintenance and overhaul costs.

SIA Engineering's operating profit was \$11 million higher compared to last year. A \$36 million reduction in revenue due to reduced airframe and component overhaul activities was more than compensated by a \$47 million drop in expenditure that largely arose from lower subcontract, material and staff costs.

SilkAir registered an operating profit of \$26 million, \$21 million up from the same period last year. Total revenue increased \$39 million as passenger flown revenue was boosted (+\$43 million) by 11.1% growth in passenger carriage and a 0.8% lift in passenger yield. Total expenditure increased by \$18 million, mainly as a result of expanded capacity (+8.5%).

SIA Cargo narrowed its operating loss significantly from \$34 million to \$12 million. Cargo yield declined by 8.5% largely due to lower fuel surcharges, while freight carriage was flat, resulting in lower revenue (-\$86 million). However, this was more than offset by a \$108 million reduction in expenditure, mainly from lower fuel costs.

Scout's operating loss was halved in the first half of the financial year. Traffic grew 14.1% on the back of 10.1% capacity expansion; coupled with a 1.9% lift in yield, passenger revenue improved 15.4%. Expenditure rose 1.2% from higher capacity, partially negated by lower fuel costs.

Tiger Airways, which became a subsidiary of the Group in October 2014, recorded an operating loss of \$10 million in the first half, which was attributable to a loss in the second quarter.

### Second Quarter 2015-16

Group operating profit for the second quarter was \$129 million, almost flat (-\$3 million or -2.3%) against last year. Group revenue fell \$60 million compared to a \$57 million decline in expenditure.

The operating results of the main companies in the Group for the second quarter of the financial year were as follows:

Operating Profit/(Loss)	2nd Quarter FY2015-16 \$ million	2nd Quarter FY2014-15 \$ million
Parent Airline Company	98	138
SIA Engineering	27	16
SilkAir	21	3
SIA Cargo	(3)	(16)
Scoot	(2)	(19)

All the main companies in the Group reported improved operating results, except for the Parent Airline. Operating profit for the Parent Airline Company decreased by \$40 million to \$98 million in the second quarter of the financial year. Total revenue declined \$225 million, attributable to a \$124 million reduction in passenger flown revenue stemming from a 4.6% drop in passenger yield, and lower bellyhold and other incidental revenue. Expenditure was down \$185 million, with \$232 million in savings from a reduction in net fuel costs, partially offset by higher aircraft lease rentals, costs related to Premium Economy installation and aircraft maintenance and overhaul costs.

Group net profit was \$214 million, improving \$123 million from the second quarter last year. This was primarily due to an absence of share of loss from associated companies (+\$105 million) with the reclassification of Tiger Airways as a subsidiary, and higher dividends from long-term investments (+\$88 million), partially offset by a loss on disposal of aircraft, spares and spare engines versus a gain last year (-\$46 million), and tax expense compared to a tax credit last year (-\$36 million).

### **BALANCE SHEET REVIEW** **(September 2015 vs March 2015)**

Equity attributable to owners of the parent increased by \$135 million or 1.1% to \$12,599 million as at 30 September 2015 largely due to profits for April – September 2015 (+\$305 million) and fair value movements on cash flow hedges (+\$115 million), partially offset by payment of the final dividend in respect of FY2014-15 (-\$199 million) and purchase of treasury shares (-\$85 million). The fair value movements on cash flow hedges of \$115 million was mainly attributable to the reduction in fair value losses incurred on the outstanding fuel hedges.

Total Group assets decreased by \$18 million or 0.1% to \$23,903 million. The decrease was mainly attributable to a decrease in cash balances (-\$381 million), trade debtors (-\$49 million), derivative assets (-\$28 million) and investment in joint venture companies (-\$13 million), partially offset by increase in property, plant and equipment (+\$382 million) and investments (+\$80 million). The decrease in cash balances largely arose from capital expenditure (-\$1,339 million), redemption of the five-year retail bonds (-\$300 million), payment of final dividend in respect of FY204-15 (-\$199 million), partially funded by operational cash inflows (+\$1,397 million).

Total Group liabilities decreased by \$153 million or 1.4% to \$10,838 million as at 30 September 2015. The decrease was attributable to the repayment of the notes payable (-\$300 million), reduction in derivative liabilities (-\$165 million) and trade and other creditors (-\$72 million), partially offset by an increase in sales in advance of carriage (+\$288 million) and deferred account (+\$116 million). The decrease in derivative liabilities largely arose from the reduction in fair value losses on the outstanding fuel hedging contracts.

**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 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**

Uncertainty in economic conditions persists, exacerbated by concerns about China's slowing economy, which have led to weakening emerging-market currencies and volatility in stock markets. The outlook for both passenger and cargo traffic is cautious. Yields remain under pressure in the face of capacity additions from other airlines. Advance passenger bookings for the October-December quarter are positive, but mainly bolstered by promotional activities.

Fuel prices remain range-bound. For the second half of the financial year, the Group is 50.7% hedged at a weighted average price of USD93 per barrel<sup>3</sup>. A rising US Dollar will put pressure on operating costs.

Faced with these challenges, the Group will maintain strict cost discipline and will leverage the various airlines in the Portfolio to remain flexible and nimble in tapping all key market segments. The Group is well placed to retain its competitive edge through the many strategic initiatives that are in place, supported by a strong balance sheet.

<sup>3</sup> The Group fuel hedging position excludes Tiger Airways, which separately reported its fuel hedging position on 23 October 2015. Please refer to Tiger Airways' website for the relevant presentation slides.

**11 Dividend**

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

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

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	10 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

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

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

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	5 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

**(c) Date payable**

The interim dividend will be paid on 27 November 2015.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN that the Transfer Books and the Register of Members of the Company will be closed from 5.00 p.m. on 18 November 2015 for the purpose of determining shareholders' entitlements to the interim dividend of 10 cents per share and will re-open at 9:00 a.m. on 20 November 2015.

Duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Share Registrar, M & C Services Private Limited, 112 Robinson Road, #05-01 Singapore 068902 up to 5:00 p.m. on 18 November 2015 will be registered to determine shareholders' entitlements to the interim dividend. Shareholders whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with ordinary shares in the capital of the Company as at 5:00 p.m. on 18 November 2015 will be entitled to the interim dividend.

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

Not applicable.

### 13 Interested Person Transactions

The aggregate values of all Interested Person Transactions ("IPTs") entered into during the second quarter of the Financial Year 2015-16 are as follows:

Name of Interested Person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	2 <sup>nd</sup> Quarter 2015-16 (S\$)	2 <sup>nd</sup> Quarter 2015-16 (S\$)
<b>PT Bank Danamon Indonesia TBK</b>	-	134,412
<b>SATS Ltd Group</b>		
- Aero Laundry & Linen Services Private Limited	-	3,672,456
- Air India SATS Airport Services Private Limited	-	1,829,578
- Asia Airfreight Terminal Co Ltd	-	1,729,927
- Beijing Airport Inflight Kitchen Ltd	-	1,746,428
- Maldives Inflight Catering Private Limited	-	933,834
- PT Jasa Angkasa Semesta Tbk	-	4,006,297
- SATS HK Limited	-	1,162,580
- SATS Ltd	-	176,672,879
- SATS Security Services Private Limited	-	5,876,937
- Taj Madras Flight Kitchen Pvt Limited	-	150,020
- Taj SATS Air Catering Ltd	-	1,094,211
- TKF Corporation	-	1,602,717
<b>SembCorp Industries Limited Group</b>		
- SembCorp Power Pte Ltd	-	769,398
<b>Singapore Technologies Engineering Limited Group</b>		
- Unicorn International Pte Ltd	-	118,121
<b>Singapore Telecommunications Limited Group</b>		
- Optus Networks Pty Ltd	-	120,119
- Singapore Telecommunications Limited	-	2,082,542
- Trusted Hub Limited	-	113,478
<b>Singapore GP Pte Ltd*</b>	1,843,678	-
<b>Temasek Holdings (Private) Limited and Associates</b>		
- MediaCorp Pte Ltd	-	175,994
<b>Total Interested Person Transactions</b>	<b>1,843,678</b>	<b>203,991,928</b>

\* Agreement for the purchase of admission and hospitality tickets in exchange for hospitality passes, marketing support and SIA tickets.

By Order of the Board

Ethel Tan (Mrs)  
Company Secretary  
5 November 2015

**CONFIRMATION BY THE BOARD**

We, Stephen Lee Ching Yen and Goh Choon Phong, 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 second quarter and half year ended 30 September 2015 financial results to be false or misleading in any material respect.

On behalf of the Board,



STEPHEN LEE CHING YEN  
Chairman

  
GOH CHOON PHONG  
Chief Executive Officer

5 November 2015