



UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2017

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 2017 (in \$ million)

	The Group	
	1st Quarter 2017/18	1st Quarter 2016/17
REVENUE	3,864.2	3,657.7
EXPENDITURE		
Staff costs	650.0	658.6
Fuel costs	925.7	895.3
Depreciation	400.2	380.0
Impairment of property, plant and equipment	0.2	-
Amortisation of intangible assets	10.3	9.1
Aircraft maintenance and overhaul costs	237.6	207.1
Commission and incentives	90.1	88.2
Landing, parking and overflying charges	210.7	200.2
Handling charges	330.9	293.1
Rentals on leased aircraft	211.5	225.0
Material costs	16.4	16.7
Inflight meals	137.1	132.5
Advertising and sales costs	61.4	62.8
Insurance expenses	11.4	10.6
Company accommodation and utilities	23.4	29.0
Other passenger costs	43.9	46.3
Crew expenses	39.2	37.3
Other operating expenses	183.4	172.7
	3,583.4	3,464.5
OPERATING PROFIT	280.8	193.2
Finance charges	(20.1)	(10.5)
Interest income	18.6	22.2
Surplus/(Loss) on disposal of aircraft, spares and spare engines	7.2	(1.0)
Dividends from long-term investments	3.0	-
Dividends from asset held for sale	-	39.5
Other non-operating items	2.6	141.8
Share of profits of joint venture companies	1.7	3.9
Share of losses of associated companies	(0.9)	(47.8)
PROFIT BEFORE TAXATION	292.9	341.3
TAXATION	(49.2)	(38.2)
PROFIT FOR THE PERIOD	243.7	303.1
PROFIT ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	235.1	256.6
NON-CONTROLLING INTERESTS	8.6	46.5
	243.7	303.1
BASIC EARNINGS PER SHARE (CENTS)	19.9	21.7
DILUTED EARNINGS PER SHARE (CENTS)	19.8	21.6

Notes:

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

	The Group	
	1st Quarter 2017/18	1st Quarter 2016/17
Compensation for changes in aircraft delivery slots	(69.9)	(11.6)
Interest income from short-term investments	(0.2)	(0.2)
Dividend income from short-term investments	(0.3)	(0.4)
Income from operating lease of aircraft	(9.6)	(12.7)
Amortisation of deferred gain on sale and operating leaseback transactions	(0.7)	(1.7)
Loss on disposal of short-term investments	0.3	0.9
Bad debts written off	-	0.3
Impairment of trade debtors	0.5	0.1
Writedown of inventories	1.4	1.4
Exchange loss, net	9.4	10.0
Currency hedging loss	7.2	7.7
Fuel hedging loss recognised in "Fuel costs"	25.6	183.7
Ineffectiveness of fuel hedging contracts recognised in "Fuel costs"	-	(42.8)
Net gain on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	(2.4)	-
Over provision of tax in respect of prior years	(5.0)	(3.5)

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

	The Group	
	1st Quarter 2017/18	1st Quarter 2016/17
Surplus on disposal of asset held for sale	-	141.6
Surplus on disposal of other property, plant and equipment	-	0.2
Net gain on financial assets mandatorily measured at FVTPL	2.5	-
Writeback of provision for expected credit losses on investments and guarantees	0.1	-
	<u>2.6</u>	<u>141.8</u>

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2017 (in \$ million)**

	The Group	
	1st Quarter 2017/18	1st Quarter 2016/17
PROFIT FOR THE PERIOD	243.7	303.1
OTHER COMPREHENSIVE INCOME:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Currency translation differences	(15.3)	(27.6)
Net fair value changes on cash flow hedges	(181.6)	450.6
Share of other comprehensive income of associated and joint venture companies	(0.8)	29.2
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Net fair value changes on financial assets measured at fair value through other comprehensive income ("FVOCI")	-	(138.3)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>(197.7)</u>	<u>313.9</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>46.0</u>	<u>617.0</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	39.2	603.0
NON-CONTROLLING INTERESTS	6.8	14.0
	<u>46.0</u>	<u>617.0</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 JUNE 2017 (in \$ million)

	The Group		The Company	
	30-Jun 2017	31-Mar 2017	30-Jun 2017	31-Mar 2017
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital	1,856.1	1,856.1	1,856.1	1,856.1
Treasury shares	(194.7)	(194.7)	(194.7)	(194.7)
Other reserves	11,462.9	11,421.6	10,937.6	10,852.2
	13,124.3	13,083.0	12,599.0	12,513.6
NON-CONTROLLING INTERESTS	391.3	387.2	-	-
TOTAL EQUITY	13,515.6	13,470.2	12,599.0	12,513.6
DEFERRED ACCOUNT	178.6	234.5	157.6	214.9
DEFERRED TAXATION	1,904.3	1,890.5	1,500.9	1,482.1
LONG-TERM LIABILITIES	2,558.5	1,794.7	2,458.1	1,689.4
PROVISIONS	869.8	910.3	604.7	648.0
DEFINED BENEFIT PLANS	129.1	131.2	120.3	122.3
	19,155.9	18,431.4	17,440.6	16,670.3
Represented by:-				
PROPERTY, PLANT AND EQUIPMENT	17,660.3	16,433.3	13,026.0	12,050.8
INTANGIBLE ASSETS	427.9	423.5	171.4	169.5
SUBSIDIARY COMPANIES	-	-	4,637.0	4,610.1
ASSOCIATED COMPANIES	1,044.9	1,056.9	778.1	756.8
JOINT VENTURE COMPANIES	152.5	160.2	-	-
LONG-TERM INVESTMENTS	408.2	405.7	397.7	395.3
OTHER LONG-TERM ASSETS	444.3	479.3	372.8	397.9
DEFERRED ACCOUNT	60.3	61.1	49.0	49.1
CURRENT ASSETS				
Inventories	180.4	178.4	105.8	106.1
Trade debtors	1,154.9	1,144.6	661.3	694.7
Deposits and other debtors	106.3	127.4	52.6	55.8
Prepayments	188.4	211.0	141.0	169.9
Deferred account	10.1	11.8	7.3	9.1
Amounts owing by subsidiary companies	-	-	235.9	203.8
Derivative assets	23.6	85.0	22.6	82.1
Investments	604.2	539.9	530.9	469.9
Cash and bank balances	2,935.9	3,380.5	2,490.8	2,733.2
Other short-term assets	22.2	21.4	22.2	21.4
	5,226.0	5,700.0	4,270.4	4,546.0
Less: CURRENT LIABILITIES				
Sales in advance of carriage	1,933.6	1,634.3	1,744.3	1,465.9
Deferred revenue	614.3	707.8	614.3	707.8
Deferred account	64.5	86.0	60.1	76.3
Current tax payable	91.3	80.3	31.1	30.3
Trade and other creditors	3,005.3	3,296.1	2,069.8	2,251.9
Amounts owing to subsidiary companies	-	-	1,238.2	1,354.5
Borrowings	38.4	42.0	-	-
Provisions	350.1	322.4	333.1	298.8
Derivative liabilities	171.0	119.7	170.9	119.7
	6,268.5	6,288.6	6,261.8	6,305.2
NET CURRENT LIABILITIES	(1,042.5)	(588.6)	(1,991.4)	(1,759.2)
	19,155.9	18,431.4	17,440.6	16,670.3

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 2017		As at 31 March 2017	
Secured	Unsecured	Secured	Unsecured
\$31.9M	\$6.5M	\$37.9M	\$4.1M

Amount repayable after one year

As at 30 June 2017		As at 31 March 2017	
Secured	Unsecured	Secured	Unsecured
\$70.4M	\$2,150.7M	\$74.0M	\$1,451.8M

Details of any collateral

The secured borrowings pertained to secured bank loans (\$84.7 million) and finance leases of aircraft (\$17.6 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 FIRST QUARTER ENDED 30 JUNE 2017 (in \$ million)**

	The Group	
	1st Quarter 2017/18	1st Quarter 2016/17
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	292.9	341.3
Adjustments for:		
Depreciation	400.2	380.0
Impairment of property, plant and equipment	0.2	-
Amortisation of intangible assets	10.3	9.1
Impairment of trade debtors	0.5	0.1
Writedown of inventories	1.4	1.4
Income from short-term investments	(0.5)	(0.6)
Provisions	66.3	74.6
Share-based compensation expense	4.1	3.2
Exchange differences	11.3	2.1
Amortisation of deferred gain on sale and operating leaseback transactions	(0.7)	(1.7)
Finance charges	20.1	10.5
Interest income	(18.6)	(22.2)
(Surplus)/Loss on disposal of aircraft, spares and spare engines	(7.2)	1.0
Dividends from long-term investments	(3.0)	-
Dividends from asset held for sale	-	(39.5)
Net gain on financial assets mandatorily measured at FVTPL	(2.4)	-
Other non-operating items	(2.6)	(141.8)
Share of profits of joint venture companies	(1.7)	(3.9)
Share of losses of associated companies	0.9	47.8
Operating cash flow before working capital changes	771.5	661.4
(Decrease)/Increase in trade and other creditors	(241.4)	14.0
Increase/(Decrease) in sales in advance of carriage	299.3	(45.5)
(Increase)/Decrease in trade debtors	(9.8)	186.6
Decrease in deposits and other debtors	30.9	4.0
Decrease/(Increase) in prepayments	22.6	(65.0)
(Increase)/Decrease in inventories	(3.4)	0.1
(Decrease)/Increase in deferred revenue	(93.5)	9.3
Cash generated from operations	776.2	764.9
Payment of fines and settlements	(139.0)	-
Income taxes refunded/(paid)	7.0	(5.9)
NET CASH PROVIDED BY OPERATING ACTIVITIES	644.2	759.0

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2017 (in \$ million)**

	The Group	
	1st Quarter 2017/18	1st Quarter 2016/17
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(1,751.0)	(1,095.1)
Purchase of intangible assets	(15.5)	(12.0)
Proceeds from disposal of aircraft and other property, plant and equipment	56.4	1.2
Proceeds from disposal of long-term investments	4.9	-
Purchase of short-term investments	(363.8)	(309.3)
Proceeds from disposal of short-term investments	298.8	337.1
Dividends received from associated and joint venture companies	28.1	25.9
Dividends received from investments	3.3	0.4
Dividends received from asset held for sale	-	39.5
Interest received from investments and deposits	17.3	22.4
Investment in an associated company	(21.3)	-
Loan to an associated company	-	(54.4)
Proceeds from disposal of assets held for sale	-	372.3
NET CASH USED IN INVESTING ACTIVITIES	(1,742.8)	(672.0)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid by subsidiary companies to non-controlling interests	(0.8)	(1.6)
Proceeds from exercise of share options pursuant to the Voluntary Conditional General Offer ("VGO") of Tiger Airways	-	301.2
Acquisition of non-controlling interests without a change in control	-	(49.3)
Issuance of share capital by subsidiary companies	-	1.4
Interest paid	(18.6)	(10.8)
Proceeds from borrowings	2.5	1.8
Repayment of borrowings	(4.4)	(148.2)
Repayment of long-term lease liabilities	(5.8)	(5.3)
Proceeds from exercise of share options	0.8	31.5
Proceeds from issuance of bonds	700.0	-
Purchase of treasury shares	-	(82.5)
NET CASH PROVIDED BY FINANCING ACTIVITIES	673.7	38.2
NET CASH (OUTFLOW)/INFLOW	(424.9)	125.2
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	3,380.5	3,972.4
Effect of exchange rate changes	(19.7)	(0.7)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,935.9	4,096.9
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits	2,225.9	3,012.3
Cash and bank balances	710.0	1,084.6
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,935.9	4,096.9

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 2017 (in \$ million)**

The Group	Attributable to Owners of the Company							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 April 2017	1,856.1	(194.7)	(147.6)	(123.7)	88.5	(234.4)	11,838.8	13,083.0	387.2	13,470.2
<u>Comprehensive income</u>										
Currency translation differences	-	-	-	(13.0)	-	-	-	(13.0)	(2.3)	(15.3)
Net fair value changes on cash flow hedges	-	-	-	-	-	(182.1)	-	(182.1)	0.5	(181.6)
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	-	(0.8)	-	(0.8)	-	(0.8)
Other comprehensive income for the period, net of tax	-	-	-	(13.0)	-	(182.9)	-	(195.9)	(1.8)	(197.7)
Profit for the period	-	-	-	-	-	-	235.1	235.1	8.6	243.7
Total comprehensive income for the period	-	-	-	(13.0)	-	(182.9)	235.1	39.2	6.8	46.0
<u>Transactions with owners, recorded directly in equity</u>										
<u>Contributions by and distributions to owners</u>										
Loss on dilution of interest in a subsidiary company due to share options exercised	-	-	-	-	(0.3)	-	(1.7)	(2.0)	(1.9)	(3.9)
Share-based compensation expense	-	-	-	-	4.1	-	-	4.1	-	4.1
Share options and share awards lapsed	-	-	-	-	(0.6)	-	0.6	-	-	-
Dividends	-	-	-	-	-	-	-	-	(0.8)	(0.8)
Total contributions by and distributions to owners	-	-	-	-	3.2	-	(1.1)	2.1	(2.7)	(0.6)
Balance at 30 June 2017	<u>1,856.1</u>	<u>(194.7)</u>	<u>(147.6)</u>	<u>(136.7)</u>	<u>91.7</u>	<u>(417.3)</u>	<u>12,072.8</u>	<u>13,124.3</u>	<u>391.3</u>	<u>13,515.6</u>

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2016 (in \$ million)**

The Group	Attributable to Owners of the Company							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 April 2016	1,856.1	(381.5)	(129.2)	(151.3)	123.7	(498.6)	11,935.5	12,754.7	378.2	13,132.9
<u>Comprehensive income</u>										
Currency translation differences	-	-	-	(27.1)	-	-	-	(27.1)	(0.5)	(27.6)
Net fair value changes on financial assets measured at FVOCI	-	-	-	-	-	(106.0)	-	(106.0)	(32.3)	(138.3)
Net fair value changes on cash flow hedges	-	-	-	-	-	450.3	-	450.3	0.3	450.6
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	0.1	29.1	-	29.2	-	29.2
Other comprehensive income for the period, net of tax	-	-	-	(27.1)	0.1	373.4	-	346.4	(32.5)	313.9
Profit for the period	-	-	-	-	-	-	256.6	256.6	46.5	303.1
Total comprehensive income for the period	-	-	-	(27.1)	0.1	373.4	256.6	603.0	14.0	617.0
<u>Transactions with owners, recorded directly in equity</u>										
<u>Contributions by and distributions to owners</u>										
Surplus on dilution of interest in a subsidiary company due to share options exercised	-	-	-	-	(4.4)	-	6.4	2.0	2.8	4.8
Share-based compensation expense	-	-	-	-	3.2	-	-	3.2	-	3.2
Share options lapsed	-	-	-	-	(8.3)	-	8.3	-	-	-
Purchase of treasury shares	-	(82.5)	-	-	-	-	-	(82.5)	-	(82.5)
Treasury shares reissued pursuant to equity compensation plans	-	23.2	3.8	-	(6.6)	-	-	20.4	-	20.4
Treasury shares reissued pursuant to the VGO of Tiger Airways	-	286.8	25.8	-	(11.4)	-	-	301.2	-	301.2
Issuance of share capital by a subsidiary company	-	-	-	-	-	-	-	-	1.4	1.4
Dividends	-	-	-	-	-	-	-	-	(1.6)	(1.6)
Total contributions by and distributions to owners	-	227.5	29.6	-	(27.5)	-	14.7	244.3	2.6	246.9
<u>Changes in ownership interests in subsidiaries</u>										
Acquisition of non-controlling interests without a change in control	-	-	(36.0)	-	-	(0.9)	-	(36.9)	(12.4)	(49.3)
Total changes in ownership interests in subsidiaries	-	-	(36.0)	-	-	(0.9)	-	(36.9)	(12.4)	(49.3)
Total transactions with owners	-	227.5	(6.4)	-	(27.5)	(0.9)	14.7	207.4	(9.8)	197.6
Balance at 30 June 2016	1,856.1	(154.0)	(135.6)	(178.4)	96.3	(126.1)	12,206.8	13,565.1	382.4	13,947.5

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2017 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2017	1,856.1	(194.7)	25.7	76.7	(189.6)	10,939.4	12,513.6
<u>Comprehensive income</u>							
Net fair value changes on cash flow hedges	-	-	-	-	(136.2)	-	(136.2)
Other comprehensive income for the period, net of tax	-	-	-	-	(136.2)	-	(136.2)
Profit for the period	-	-	-	-	-	218.6	218.6
Total comprehensive income for the period	-	-	-	-	(136.2)	218.6	82.4
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Share-based compensation expense	-	-	-	3.0	-	-	3.0
Share options and share awards lapsed	-	-	-	(0.6)	-	0.6	-
Total transactions with owners	-	-	-	2.4	-	0.6	3.0
Balance at 30 June 2017	1,856.1	(194.7)	25.7	79.1	(325.8)	11,158.6	12,599.0

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2016 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2016	1,856.1	(381.5)	(5.1)	108.0	(470.9)	10,901.6	12,008.2
<u>Comprehensive income</u>							
Net fair value changes on financial assets measured at FVOCI	-	-	-	-	2.4	-	2.4
Net fair value changes on cash flow hedges	-	-	-	-	345.9	-	345.9
Other comprehensive income for the period, net of tax	-	-	-	-	348.3	-	348.3
Profit for the period	-	-	-	-	-	195.1	195.1
Total comprehensive income for the period	-	-	-	-	348.3	195.1	543.4
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Share-based compensation expense	-	-	-	2.4	-	-	2.4
Share options lapsed	-	-	-	(8.3)	-	8.3	-
Purchase of treasury shares	-	(82.5)	-	-	-	-	(82.5)
Treasury shares reissued pursuant to equity compensation plans	-	23.2	3.8	(6.6)	-	-	20.4
Treasury shares reissued pursuant to VGO of Tiger Airways	-	286.8	25.8	(11.4)	-	-	301.2
Total transactions with owners	-	227.5	29.6	(23.9)	-	8.3	241.5
Balance at 30 June 2016	1,856.1	(154.0)	24.5	84.1	(122.6)	11,105.0	12,793.1

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 April to June 2017, the Company did not issue any shares upon exercise of options pursuant to share options exercised under the Employee Share Option Plan, since no options were exercised.

Group and Company	Number of Shares	Share Capital (\$ million)
Issued and fully paid share capital <u>Ordinary Shares</u> Balance at 1 April 2017 and 30 June 2017	1,199,851,018	1,856.1

As at 30 June 2017, the number of ordinary shares in issue was 1,199,851,018 of which 18,377,002 were held by the Company as treasury shares (30 June 2016: 1,199,851,018 ordinary shares of which 14,565,539 were held as treasury shares). The share capital was \$1,856.1 million. The treasury shares held represents 1.6% (30 June 2016: 1.2%) of the total number of issued shares (excluding treasury shares).

The Company has no subsidiary holdings as at 30 June 2017 and 30 June 2016.

Employee Share Option Plan

As at 30 June 2017, the number of share options of the Company outstanding was 16,542,385 (30 June 2016: 18,770,801). During the period April to June 2017, no (April to June 2016: 2,190,071) 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.

The movement of share options of the Company during the period April to June 2017 is as follows:

Date of Grant	Balance at 01.04.2017	Cancelled	Balance at 30.06.2017	Exercise price*	Expiry date
02.07.2007	8,702,852	(96,710)	8,606,142	\$15.46	01.07.2017
01.07.2008	8,020,698	(84,455)	7,936,243	\$12.07	30.06.2018
	16,723,550	(181,165)	16,542,385		

* 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 the performance periods for the RSP and 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 June 2017, the number of outstanding shares granted under the Company's RSP and PSP were 1,959,403 (30 June 2016: 1,691,734) and 729,168 respectively (30 June 2016: 716,693).

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

Date of Grant	Number of Restricted Shares			Balance at 30.06.2017
	Balance at 01.04.2017	Granted	Vested	
RSP				
15.07.2013	85,930	-	-	85,930
03.07.2014	373,085	-	-	373,085
03.07.2015	709,692	-	-	709,692
18.07.2016	790,696	-	-	790,696
	1,959,403	-	-	1,959,403

Date of Grant	Number of Performance Shares			Balance at 30.06.2017
	Balance at 01.04.2017	Granted	Vested	
PSP				
03.07.2014	248,568	-	-	248,568
03.07.2015	239,700	-	-	239,700
18.07.2016	240,900	-	-	240,900
	729,168	-	-	729,168

Deferred Share Award ("DSA")

Grants of DSA of fully paid ordinary shares are 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 DSA are as follows:

Date of Grant	Number of Deferred Share Award			Balance at 30.06.2017
	Balance at 01.04.2017	Granted	Vested	
DSA				
28.08.2014	73,470	-	-	73,470
10.09.2015	74,790	-	-	74,790
01.09.2016	65,740	-	-	65,740
	214,000	-	-	214,000

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 June 2017, the number of ordinary shares in issue was 1,199,851,018 of which 18,377,002 were held by the Company as treasury shares (30 June 2016: 1,199,851,018 ordinary shares of which 14,565,539 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 April to June 2017, the Company did not purchase any treasury shares (April to June 2016: 7,811,200).

The Company did not transfer any treasury shares to employees on exercise of share options nor on vesting of share-based incentive plans (April to June 2016: 2,190,071 on exercise of share options and 27,125,949 treasury shares on exercise of the share options granted pursuant to the VGO of Tiger Airways). Treasury shares are presented as a component within equity attributable to owners of the company.

Group and Company	Number of Shares	Treasury Shares (\$ million)
Balance at 1 April 2017 and 30 June 2017	18,377,002	(194.7)

1(d) (v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

The Company has no subsidiary holdings as at 30 June 2017 and 30 June 2016. There was no sales, transfers, cancellation and/or use of subsidiary holdings for the period April to June 2017.

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 2017. 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 2017 has no significant impact on the Group.

During the period, the Company reviewed the actual expiry of miles against the expected breakage rate determined in financial year 2013/14, when the Pay With Miles option to the KrisFlyer programme was introduced. In addition, a downward revision to the estimated breakage rate was made pursuant to recent changes made to the PPS Club programme that include non-expiry of Krisflyer miles. The impact of the revision in estimate is a one-time net increase of approximately \$114.9 million in revenue.

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	
	1 st Quarter 2017/18	1 st Quarter 2016/17
Earnings per share (cents)		
- Basic	19.9	21.7
- Diluted	19.8	21.6

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 Jun 17	As at 31 Mar 17	As at 30 Jun 17	As at 31 Mar 17
Net asset value per ordinary share (\$)	11.11	11.07	10.66	10.59

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 2017-18

The SIA Group reported an operating profit of \$281 million in the April-June 2017 quarter, \$88 million or 45.6% higher compared with the same period last year.

Group revenue rose \$206 million year-on-year to \$3,864 million (+5.6%). Excluding one-off items in both financial years, Group revenue increased year-on-year by \$184 million (+5.2%), and Group operating profit rose by \$66 million from \$42 million to \$108 million.

Passenger flown revenue contributed \$121 million (+4.3%) on increased traffic (+7.6%), outstripping the reduction in passenger yield (-3.1%). Cargo revenue was up \$57 million on higher freight carriage (+6.9%), further supported by yield improvement of 4.8%. Other revenue was stable, as the absence of the adjustment upon up-front revenue recognition for unutilised tickets recorded in the last financial year (\$151 million) was mitigated by revenue adjustments from the KrisFlyer programme (\$115 million)¹ and further recognition of compensation for changes in aircraft delivery slots (\$58 million).

Group expenditure increased \$118 million to \$3,583 million (+3.4%). Net fuel costs rose by \$30 million (+3.4%), as a \$115 million reduction in fuel hedging loss partially offset the \$145 million increase in fuel cost before hedging, caused mainly by higher average jet fuel prices. Ex-fuel costs were up \$88 million (+3.4%), partly attributable to the enlarged operations of SilkAir and Budget Aviation Holdings, the parent company of Scoot and Tiger Airways.

Group net profit for the quarter was \$235 million, down \$22 million (-8.6%) from last year. However, the deterioration was attributable to the absence of last year's gain on SIA Engineering's divestment of its 10.0% stake in Hong Kong Aero Engine Services Ltd (HAESL) and special dividends received from HAESL (-\$178 million), partially offset by higher Group operating profit (+\$88 million), and lower share of losses from associated companies (+\$47 million).

First Quarter Operating Results of Main Companies

The operating results of the main companies in the Group for the three-month period were as follows:

Operating Profit/(Loss)	1st Quarter FY2017-18 \$ million	1st Quarter FY2016-17 \$ million
Parent Airline Company	241	197
SilkAir	7	27
Budget Aviation Holdings	3	9
SIA Cargo	6	(34)
SIA Engineering	18	(2)

¹ During the period, the Company reviewed the actual expiry of miles against the expected breakage rate determined in financial year 2013/14, when the Pay With Miles option to the KrisFlyer programme was introduced. In addition, a downward revision to the estimated breakage rate was made pursuant to recent changes made to the PPS Club programme that include non-expiry of KrisFlyer miles.

Operating profit for the Parent Airline Company rose \$44 million or 22.3% year-on-year. Total revenue increased \$71 million, mainly driven by a \$62 million (+2.7%) improvement in passenger flown revenue. Other revenue was higher, supported by KrisFlyer revenue adjustments and compensation for changes in aircraft delivery slots, partially negated by the absence of the adjustment upon up-front revenue recognition on unutilised tickets made in the first quarter of last year. The stronger passenger flown revenue was attributable to 4.7% growth in passenger carriage (measured in revenue passenger-kilometres), partially offset by 1.9% yield contraction. Passenger load factor increased 4.2 percentage points to 80.0%, as capacity (measured in available seat-kilometres) fell by 0.8%. Expenditure was up \$27 million (+1.0%) on higher net fuel cost, landing, parking and handling charges.

SilkAir reported a \$20 million deterioration in operating performance compared with the same period last year. Total revenue was marginally higher (+\$2 million or 0.8%), as growth in passenger carriage of 13.8% was largely offset by an 8.6% decline in yield. Expenditure, on the other hand, increased \$22 million as the 11.6% expansion in operations led to higher operating costs such as maintenance and fuel costs. Passenger load factor rose 1.5 percentage points year-on-year to 71.6%.

Budget Aviation Holdings recorded an operating profit of \$3 million, declining \$6 million compared to the same period last year. Total revenue grew \$49 million (+15.8%) from 18.2% growth in passenger carriage, but this was overtaken by a \$55 million (+18.3%) increase in expenditure on the back of 16.5% capacity growth. Yield was 1.7% lower, while passenger load factor rose 1.2 percentage points to 84.0%.

SIA Cargo reported an operating profit of \$6 million, reversing its loss of \$34 million (+\$40 million) in the same quarter last year. Revenue received a \$57 million boost from freight carriage growth of 6.9%, further lifted by a 4.8% improvement in cargo yield. Expenditure was up \$17 million, largely due to higher handling cost with carriage growth and higher aircraft maintenance and overhaul cost. Cargo load factor rose by 3.7 percentage points, as the increase in freight carriage outpaced capacity expansion of 0.9%.

SIA Engineering posted an operating profit of \$18 million, turning around from a loss of \$2 million in the same period last year. The improvement was led by lower expenditure, which fell by \$19 million (-7.0%) mainly due to the absence of a profit sharing bonus related to HAESL's divestment gain. Revenue was relatively flat (+\$1 million).

BALANCE SHEET REVIEW **(June 2017 vs March 2017)**

Equity attributable to owners of the company increased by \$41 million (0.3%) to \$13,124 million as at 30 June 2017, largely due to net profit for the period (+\$235 million) partially offset by fair value movement on cash flow hedges (-\$182 million). The fair value movement on cash flow hedges of \$182 million was mainly attributable to higher fair value losses incurred on outstanding fuel hedges, foreign exchange contracts and hedge deposits.

Total Group assets increased by \$704 million (2.8%) to \$25,424 million. The increase was mainly attributable to an increase in property, plant and equipment (+\$1,227 million) and investments (+\$67 million) partially offset by a reduction in cash balances (-\$445 million) and derivative assets (-\$82 million). The reduction in cash balances arose primarily from capital expenditure (-\$1,751 million), net purchase of investments (-\$65 million) and capital injection in an associated company (-\$21 million). These were partially offset by proceeds from issuance of bonds (+\$700 million) and cash flows generated from operations (+\$644 million).

Total Group liabilities increased by \$659 million (5.9%) to \$11,909 million as at 30 June 2017, primarily arising from the increase in notes payable (+\$700 million) and sales in advance of carriage (+\$299 million), partially offset by a decrease in trade creditors (-\$291 million) and deferred revenue (-\$94 million).

The Group's negative working capital arose largely from the collection of cash in advance of services provided. Excluding the liability under "sales in advance of carriage", the Group's working capital would be \$891 million as at 30 June 2017.

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

The business outlook for the airline industry remains challenging, as the uncertain global economic climate and geopolitical concerns, coupled with over-capacity in our key markets, continue to dampen yield performance.

Fuel prices are expected to remain volatile in the months ahead, as the global oil market continues to adjust to demand and supply conditions. For the second quarter of the financial year, the Group has hedged 41.9% of its fuel requirements in MOPS at a weighted average price of USD63 per barrel. Longer-dated Brent hedges with maturities extending to the financial year 2022-23 cover up to 47% of the Group's projected annual fuel consumption, at average prices ranging from USD53 to USD59 per barrel.

The Group will continue to take delivery of modern and fuel-efficient aircraft to further expand its network and enhance its competitiveness in both the full-service and low-cost market segments.

With the completion of the Scoot-Tigerair integration under the Scoot brand name on 25 July 2017, there will be more expansion opportunities for the low-cost segment of the Group portfolio, as the merged entity's strong Southeast Asia presence will help to generate connecting traffic with long-haul flights.

The Group's transformation programme is also ongoing, to identify new opportunities for revenue generation, and to re-structure its cost base.

11 Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

None. The Company declares a dividend (if any) at the half year and full year results announcements.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/recommended for the period ended 30 June 2017.

13 Interested Person Transactions

The aggregate values of all Interested Person Transactions ("IPTs") entered into during the first quarter of the Financial Year 2017/18 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)
	(S\$)	(S\$)
PT Bank Danamon Indonesia TBK	-	185,478
SATS Ltd Group		
- Air India SATS Airport Services Private Limited	-	2,077,644
- Asia Airfreight Terminal Co Ltd	-	1,784,681
- DFASS SATS Pte Ltd	-	1,949,668
- MacroAsia Catering Services Inc.	-	1,462,029
- Maldives Inflight Catering Private Limited	-	443,017
- PT Jas Aero-Engineering Services	-	381,864
- PT Jasa Angkasa Semesta Tbk	-	4,814,889
- SATS Aero Laundry Pte. Ltd.	-	3,340,195
- SATS Aerolog Express Pte. Ltd.	-	152,210
- SATS HK Limited	-	1,472,988
- SATS Ltd.	-	182,842,143
- SATS Security Services Private Limited	-	6,160,149
- Taj Madras Flight Kitchen Private Limited	-	155,346
- Taj SATS Air Catering Limited	-	1,481,437
- TFK Corporation	-	2,292,028
Singapore Telecommunications Limited	-	357,049
StarHub Ltd Group		
- Accel Systems & Technologies Pte. Ltd.	-	362,147
Temasek Holdings (Private) Limited and Associates		
- Ascendas Hotel Investment Co Pty Ltd	-	838,263
- MediaCorp Pte Ltd	-	143,173
- Synergy FMI	-	1,197,133
- ST Asset Management Ltd *	607,000	-
- Trusted Source Pte Ltd	-	119,000
Total Interested Person Transactions	607,000	214,012,531

* ST Asset Management Ltd subscribed for an aggregate amount of \$2.5 million Singapore Airlines 3.035% Notes due 2025. The Notes were issued on 11 April 2017 and are expected to mature on 11 April 2025. Pursuant to Rule 909(3) of the SGX Listing Manual, the value of the transaction is the interest payable on the borrowing, \$607,000 for 8 years.

14 Confirmation that the Issuer has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7 under Rule 720(1) of the Listing Manual.

By Order of the Board

Brenton Wu
Company Secretary
27 July 2017

Singapore Company Registration No.: 197200078R

CONFIRMATION BY THE BOARD

We, Peter Seah Lim Huat 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 first quarter FY2017/18 financial results to be false or misleading in any material respect.

On behalf of the Board,



PETER SEAH LIM HUAT
Chairman



GOH CHOON PHONG
Chief Executive Officer

27 July 2017