



**UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR  
ENDED 30 SEPTEMBER 2011**

**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 2011 (in \$ million)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
<b>REVENUE</b>	<b>3,699.5</b>	<b>3,631.2</b>	<b>7,277.1</b>	<b>7,097.0</b>
<b>EXPENDITURE</b>				
Staff costs	554.0	563.9	1,083.7	1,091.0
Fuel costs	1,413.9	1,092.1	2,851.9	2,223.1
Depreciation	400.5	408.9	820.7	816.1
Impairment of property, plant and equipment	5.1	3.8	10.8	14.6
Amortisation of intangible assets	6.2	6.3	12.0	12.4
Aircraft maintenance and overhaul costs	109.0	102.6	215.3	195.1
Commission and incentives	80.5	102.4	164.4	198.9
Landing, parking and overflying charges	165.8	154.8	326.2	302.2
Handling charges	250.2	232.5	493.4	462.0
Rentals on leased aircraft	145.6	145.0	282.4	283.4
Material costs	49.0	57.3	103.3	122.9
Inflight meals	122.2	109.5	232.2	211.3
Advertising and sales costs	49.3	48.6	94.1	96.5
Insurance expenses	10.8	12.8	23.6	28.6
Company accommodation and utilities	28.5	28.0	57.1	54.8
Other passenger costs	31.7	32.1	66.8	70.8
Crew expenses	31.1	32.2	64.9	65.9
Other operating expenses	123.2	152.7	240.4	251.2
	<b>3,576.6</b>	<b>3,285.5</b>	<b>7,143.2</b>	<b>6,500.8</b>
<b>OPERATING PROFIT</b>	<b>122.9</b>	<b>345.7</b>	<b>133.9</b>	<b>596.2</b>
Finance charges	(22.5)	(17.0)	(43.6)	(32.5)
Interest income	20.0	9.8	30.7	19.5
Surplus on disposal of aircraft, spares and spare engines	21.9	67.9	61.8	92.3
Dividends from long-term investments	7.6	11.8	11.1	15.9
Other non-operating items	52.7	18.0	54.0	24.3
Share of profits of joint venture companies	17.0	19.7	33.5	38.7
Share of profits of associated companies	7.8	24.5	22.0	46.2
<b>PROFIT BEFORE EXCEPTIONAL ITEMS</b>	<b>227.4</b>	<b>480.4</b>	<b>303.4</b>	<b>800.6</b>
<b>EXCEPTIONAL ITEMS</b>	<b>-</b>	<b>-</b>	<b>(1.3)</b>	<b>(2.7)</b>
<b>PROFIT BEFORE TAXATION</b>	<b>227.4</b>	<b>480.4</b>	<b>302.1</b>	<b>797.9</b>
<b>TAXATION</b>	<b>(17.1)</b>	<b>(85.5)</b>	<b>(32.1)</b>	<b>(135.1)</b>
<b>PROFIT FOR THE PERIOD</b>	<b>210.3</b>	<b>394.9</b>	<b>270.0</b>	<b>662.8</b>
<b>PROFIT ATTRIBUTABLE TO:</b>				
<b>OWNERS OF THE PARENT</b>	<b>194.2</b>	<b>380.2</b>	<b>238.9</b>	<b>632.7</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>16.1</b>	<b>14.7</b>	<b>31.1</b>	<b>30.1</b>
	<b>210.3</b>	<b>394.9</b>	<b>270.0</b>	<b>662.8</b>
<b>BASIC EARNINGS PER SHARE (CENTS)</b>	<b>16.2</b>	<b>31.8</b>	<b>20.0</b>	<b>53.0</b>
<b>DILUTED EARNINGS PER SHARE (CENTS)</b>	<b>16.1</b>	<b>31.4</b>	<b>19.7</b>	<b>52.3</b>

**Notes:**

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

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
Interest income from short-term investments	(0.2)	(0.2)	(0.4)	(0.4)
Dividend income from short-term investments	(0.3)	(0.4)	(0.7)	(0.7)
Income from operating lease of aircraft	(28.7)	(23.4)	(58.1)	(30.5)
Amortisation of deferred gain on sale and operating leaseback transactions	(6.2)	(7.8)	(12.7)	(15.9)
Loss/(Surplus) on disposal of short-term investments	0.7	(0.3)	(0.1)	(1.0)
Bad debts written off	0.2	0.4	0.7	0.6
Writeback of impairment of trade debtors	(0.7)	(1.6)	(2.2)	(1.1)
Writedown on inventories	5.0	3.5	9.2	6.3
Exchange loss, net	10.5	22.2	24.0	57.4
Currency hedging loss	3.9	15.9	38.1	14.0
Fuel hedging loss/(gain) recognised in "Fuel costs"	11.9	40.2	(0.1)	117.7
Over provision of tax in respect of prior years	(1.3)	(4.2)	(1.3)	(6.0)

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

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
Recognition of liquidated damages	-	18.6	-	25.5
(Loss)/Surplus on disposal of other property, plant and equipment	(0.3)	0.1	1.0	(0.5)
Loss on sale of Service Quality (SQ) Centre Pte Ltd	-	(0.7)	-	(0.7)
Dividends from an associated company	4.9	-	4.9	-
Return of capital by an associated company	48.1	-	48.1	-
	<u>52.7</u>	<u>18.0</u>	<u>54.0</u>	<u>24.3</u>

(iii) Exceptional items comprise the following:

During the period April-September 2011, the Company and SIA Cargo accepted a settlement offer from the plaintiffs in the Canadian air cargo class actions to resolve all such actions on an agreed basis for an amount of CAD1.05 million (\$1.3 million). This has been reflected as an exceptional item in the Group's accounts. The settlement is without admission of any wrongdoing or liability and is subject to court approval.

During the period April-September 2010, the exceptional items comprised fine paid by SIA Cargo as imposed by the South Korean Fair Trade Commission. SIA Cargo has filed an appeal against the South Korean Fair Trade Commission's decision. In the appeal, SIA Cargo contests any suggestion that it was involved in a conspiracy to fix surcharges.

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2011 (in \$ million)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
<b>PROFIT FOR THE PERIOD</b>	210.3	394.9	270.0	662.8
<b>OTHER COMPREHENSIVE INCOME:</b>				
Currency translation differences	27.1	(28.5)	15.5	(29.6)
Available-for-sale financial assets	(8.7)	2.5	(10.7)	0.2
Cash flow hedges	45.3	(43.5)	24.6	12.5
Surplus on dilution of interest in subsidiary companies due to share options exercised	5.0	12.6	11.3	16.2
Share of other comprehensive income of associated companies	1.4	(0.6)	(0.2)	(0.6)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<u>70.1</u>	<u>(57.5)</u>	<u>40.5</u>	<u>(1.3)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><u>280.4</u></u>	<u><u>337.4</u></u>	<u><u>310.5</u></u>	<u><u>661.5</u></u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
<b>OWNERS OF THE PARENT</b>	256.5	323.5	271.2	628.9
<b>NON-CONTROLLING INTERESTS</b>	<u>23.9</u>	<u>13.9</u>	<u>39.3</u>	<u>32.6</u>
	<u><u>280.4</u></u>	<u><u>337.4</u></u>	<u><u>310.5</u></u>	<u><u>661.5</u></u>

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2011 (in \$ million)**

	The Company		The Company	
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
<b>PROFIT FOR THE PERIOD</b>	289.1	390.8	269.0	525.1
<b>OTHER COMPREHENSIVE INCOME:</b>				
Available-for-sale financial assets	(3.8)	-	(5.0)	-
Cash flow hedges	57.6	(41.3)	40.4	0.8
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<u>53.8</u>	<u>(41.3)</u>	<u>35.4</u>	<u>0.8</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><u>342.9</u></u>	<u><u>349.5</u></u>	<u><u>304.4</u></u>	<u><u>525.9</u></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 2011 (in \$ million)**

	The Group		The Company	
	30-Sep 2011	31-Mar 2011	30-Sep 2011	31-Mar 2011
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>				
Share capital	1,856.1	1,832.4	1,856.1	1,832.4
Treasury shares	(144.1)	(43.0)	(144.1)	(43.0)
Capital reserve	81.4	91.8	(7.9)	2.5
Foreign currency translation reserve	(173.7)	(186.1)	-	-
Share-based compensation reserve	160.1	172.6	128.9	138.5
Fair value reserve	(124.3)	(138.0)	(58.8)	(94.2)
General reserve	11,286.0	12,474.7	11,129.6	12,298.9
	12,941.5	14,204.4	12,903.8	14,135.1
<b>NON-CONTROLLING INTERESTS</b>	278.7	298.4	-	-
<b>TOTAL EQUITY</b>	13,220.2	14,502.8	12,903.8	14,135.1
<b>DEFERRED ACCOUNT</b>	281.3	347.1	254.0	330.7
<b>DEFERRED TAXATION</b>	2,093.6	2,181.1	1,740.4	1,814.1
<b>LONG-TERM LIABILITIES</b>	1,056.6	1,079.2	805.6	803.4
<b>PROVISIONS</b>	240.8	202.0	200.9	162.0
	16,892.5	18,312.2	15,904.7	17,245.3
Represented by:-				
<b>PROPERTY, PLANT AND EQUIPMENT</b>				
Aircraft, spares and spare engines	11,552.2	11,577.3	9,304.3	9,479.1
Land and buildings	263.7	274.6	86.0	92.5
Others	1,747.0	2,025.7	1,534.6	1,805.8
	13,562.9	13,877.6	10,924.9	11,377.4
<b>INTANGIBLE ASSETS</b>	145.6	125.2	98.2	90.8
<b>SUBSIDIARY COMPANIES</b>	-	-	2,038.8	1,755.8
<b>ASSOCIATED COMPANIES</b>	498.9	504.8	1,649.2	1,715.7
<b>JOINT VENTURE COMPANIES</b>	106.9	102.8	-	-
<b>LONG-TERM INVESTMENTS</b>	234.0	35.3	154.0	18.8
<b>OTHER RECEIVABLES</b>	187.6	119.6	187.6	119.6
<b>DEFERRED ACCOUNT</b>	42.0	-	28.9	-
<b>CURRENT ASSETS</b>				
Inventories	404.2	389.5	244.0	253.9
Trade debtors	1,261.7	1,402.1	854.2	976.7
Deposits and other debtors	46.1	52.0	25.6	33.5
Prepayments	111.3	103.6	72.8	89.5
Amounts owing by subsidiary companies	-	-	220.2	194.0
Investments	370.9	397.8	317.4	339.9
Cash and bank balances	5,964.7	7,434.2	5,760.7	7,217.8
	8,158.9	9,779.2	7,494.9	9,105.3
Less: <b>CURRENT LIABILITIES</b>				
Sales in advance of carriage	1,376.8	1,459.8	1,338.2	1,421.1
Deferred revenue	474.1	445.1	474.1	445.1
Current tax payable	307.2	440.2	251.5	370.3
Trade and other creditors	2,859.0	2,861.6	2,131.7	2,210.3
Amounts owing to subsidiary companies	-	-	1,516.6	1,529.0
Finance lease commitments	65.0	61.4	-	-
Loans	2.0	1.7	-	-
Notes payable	900.0	900.0	900.0	900.0
Provisions	60.2	62.5	59.7	62.3
	6,044.3	6,232.3	6,671.8	6,938.1
<b>NET CURRENT ASSETS</b>	2,114.6	3,546.9	823.1	2,167.2
	16,892.5	18,312.2	15,904.7	17,245.3

**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 September 2011		As at 31 March 2011	
Secured	Unsecured	Secured	Unsecured
\$65.0M	\$902.0M	\$61.4M	\$901.7M

Amount repayable after one year

As at 30 September 2011		As at 31 March 2011	
Secured	Unsecured	Secured	Unsecured
\$251.0	\$800.0M	\$275.8M	\$800.0M

Details of any collateral

The secured borrowings pertained to finance leases of aircraft (\$316.0 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 STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2011 (in \$ million)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation	227.4	480.4	302.1	797.9
Adjustments for:-				
Depreciation	400.5	408.9	820.7	816.1
Impairment of property, plant and equipment	5.1	3.8	10.8	14.6
Amortisation of intangible assets	6.2	6.3	12.0	12.4
Writeback of impairment of trade debtors	(0.7)	(1.6)	(2.2)	(1.1)
Income from short-term investments	(0.5)	(0.6)	(1.1)	(1.1)
Share-based compensation expense	5.8	6.1	9.2	11.1
Exchange differences	(10.9)	11.8	(10.8)	16.9
Amortisation of deferred gain on sale and operating leaseback transactions	(6.2)	(7.8)	(12.7)	(15.9)
Finance charges	22.5	17.0	43.6	32.5
Interest income	(20.0)	(9.8)	(30.7)	(19.5)
Surplus on disposal of aircraft, spares and spare engines	(21.9)	(67.9)	(61.8)	(92.3)
Dividends from long-term investments	(7.6)	(11.8)	(11.1)	(15.9)
Other non-operating items	(52.7)	(18.0)	(54.0)	(24.3)
Share of profits of joint venture companies	(17.0)	(19.7)	(33.5)	(38.7)
Share of profits of associated companies	(7.8)	(24.5)	(22.0)	(46.2)
Exceptional items	-	-	1.3	2.7
Operating profit before working capital changes	522.2	772.6	959.8	1,449.2
(Decrease)/Increase in trade and other creditors	(75.1)	(10.3)	45.6	90.6
(Decrease)/Increase in sales in advance of carriage	(56.3)	27.3	(83.0)	143.5
(Increase)/Decrease in trade debtors	(49.8)	(4.7)	0.9	75.7
Decrease in deposits and other debtors	0.7	1.8	5.9	10.9
Decrease/(Increase) in prepayments	14.9	(2.8)	(7.7)	(5.9)
Decrease/(Increase) in inventories	5.2	16.0	(14.7)	5.6
Increase/(Decrease) in deferred revenue	14.8	(6.1)	29.0	(12.2)
Decrease in amounts owing by associated companies	0.1	-	-	-
Decrease in amounts owing to associated companies	-	(0.7)	-	(0.4)
Cash generated from operations	376.7	793.1	935.8	1,757.0
Payment of cargo fines	(1.3)	-	(1.3)	-
Income taxes paid	(146.3)	5.9	(236.3)	(11.2)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>229.1</b>	<b>799.0</b>	<b>698.2</b>	<b>1,745.8</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2011 (in \$ million)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure	(585.5)	(423.8)	(974.8)	(737.0)
Purchase of intangible assets	(10.3)	(1.0)	(31.1)	(14.5)
Proceeds from disposal of aircraft and other property, plant and equipment	317.8	380.0	473.4	496.2
Purchase of long-term investments	(59.8)	-	(204.4)	-
Disposal/(Purchase) of short-term investments	22.8	(75.8)	19.7	(37.4)
Proceeds on disposal of associated company	-	2.1	-	2.1
Investments in associated companies	-	-	(2.7)	(1.1)
Dividends received from associated and joint venture companies	35.5	23.2	67.8	73.9
Return of capital by an associated company	48.1	-	48.1	-
Dividends received from investments	7.9	12.2	11.8	16.6
Interest received from investments and deposits	17.9	5.3	26.6	9.6
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(205.6)</b>	<b>(77.8)</b>	<b>(565.6)</b>	<b>(191.6)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividends paid	(1,439.0)	(143.3)	(1,439.0)	(143.3)
Dividends paid by subsidiary companies to non-controlling interests	(59.0)	(32.0)	(59.0)	(32.0)
Interest paid	(19.8)	(5.7)	(44.8)	(30.0)
Proceeds from issuance of bonds	-	800.0	-	800.0
Proceeds from borrowings	0.6	0.4	0.6	0.4
Repayment of borrowings	(0.4)	-	(0.4)	-
Repayment of long-term lease liabilities	(19.2)	(20.0)	(30.2)	(31.7)
Proceeds from exercise of share options	22.2	42.8	58.0	61.8
Purchase of treasury shares	(142.0)	-	(151.0)	-
<b>NET CASH (USED IN)/FROM FINANCING ACTIVITIES</b>	<b>(1,656.6)</b>	<b>642.2</b>	<b>(1,665.8)</b>	<b>625.2</b>
<b>NET CASH (OUTFLOW)/INFLOW</b>	<b>(1,633.1)</b>	<b>1,363.4</b>	<b>(1,533.2)</b>	<b>2,179.4</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>7,528.2</b>	<b>5,282.2</b>	<b>7,434.2</b>	<b>4,471.9</b>
Effect of exchange rate changes	69.6	(32.1)	63.7	(37.8)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>5,964.7</b>	<b>6,613.5</b>	<b>5,964.7</b>	<b>6,613.5</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>				
Fixed deposits	5,629.5	5,902.5	5,629.5	5,902.5
Cash and bank	335.2	711.0	335.2	711.0
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>5,964.7</b>	<b>6,613.5</b>	<b>5,964.7</b>	<b>6,613.5</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 2011 (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 2011	1,836.0	(14.9)	85.3	(195.0)	170.0	(162.5)	12,524.1	14,243.0	313.8	14,556.8
Total comprehensive income for the period July to September 2011, net of tax	-	-	-	21.3	(3.4)	38.2	200.4	256.5	23.9	280.4
Share-based compensation expense	-	-	-	-	5.8	-	-	5.8	-	5.8
Share options exercised and share awards vested	20.1	-	-	-	(3.5)	-	-	16.6	-	16.6
Share options lapsed	-	-	-	-	(0.5)	-	0.5	-	-	-
Purchase of treasury shares	-	(142.0)	-	-	-	-	-	(142.0)	-	(142.0)
Treasury shares reissued pursuant to equity compensation plans	-	12.8	(3.9)	-	(8.3)	-	-	0.6	-	0.6
Dividends	-	-	-	-	-	-	(1,439.0)	(1,439.0)	(59.0)	(1,498.0)
Balance at 30 September 2011	<u>1,856.1</u>	<u>(144.1)</u>	<u>81.4</u>	<u>(173.7)</u>	<u>160.1</u>	<u>(124.3)</u>	<u>11,286.0</u>	<u>12,941.5</u>	<u>278.7</u>	<u>13,220.2</u>

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2010 (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 2010	1,767.3	(0.7)	74.8	(137.9)	187.3	(87.2)	11,991.1	13,794.7	299.1	14,093.8
Total comprehensive income for the period July to September 2010, net of tax	-	-	-	(21.5)	(4.6)	(41.6)	391.2	323.5	13.9	337.4
Share-based compensation expense	-	-	-	-	6.1	-	-	6.1	-	6.1
Share options exercised and share awards vested	45.5	-	-	-	(15.6)	-	-	29.9	-	29.9
Share options lapsed	-	-	-	-	(0.8)	-	0.8	-	-	-
Treasury shares reissued pursuant to equity compensation plans	-	-	0.3	-	-	-	-	0.3	-	0.3
Dividends	-	-	-	-	-	-	(143.3)	(143.3)	(32.0)	(175.3)
Balance at 30 September 2010	<u>1,812.8</u>	<u>(0.7)</u>	<u>75.1</u>	<u>(159.4)</u>	<u>172.4</u>	<u>(128.8)</u>	<u>12,239.8</u>	<u>14,011.2</u>	<u>281.0</u>	<u>14,292.2</u>



**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2011 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 July 2011	1,836.0	(14.9)	(4.0)	136.2	(112.6)	12,279.1	14,119.8
Total comprehensive income for the period July to September 2011, net of tax	-	-	-	-	53.8	289.1	342.9
Share-based compensation expense	-	-	-	4.9	-	-	4.9
Share options exercised and share awards vested	20.1	-	-	(3.5)	-	-	16.6
Share options lapsed	-	-	-	(0.4)	-	0.4	-
Purchase of treasury shares	-	(142.0)	-	-	-	-	(142.0)
Treasury shares reissued pursuant to equity compensation plans	-	12.8	(3.9)	(8.3)	-	-	0.6
Dividends	-	-	-	-	-	(1,439.0)	(1,439.0)
Balance at 30 September 2011	1,856.1	(144.1)	(7.9)	128.9	(58.8)	11,129.6	12,903.8

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2010 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 July 2010	1,767.3	(0.7)	2.5	149.2	(43.2)	11,803.2	13,678.3
Total comprehensive income for the period July to September 2010, net of tax	-	-	-	-	(41.3)	390.8	349.5
Share-based compensation expense	-	-	-	5.0	-	-	5.0
Share options exercised and share awards vested	45.5	-	-	(15.6)	-	-	29.9
Share options lapsed	-	-	-	(0.7)	-	0.7	-
Treasury shares reissued pursuant to equity compensation plans	-	-	0.3	-	-	-	0.3
Dividends	-	-	-	-	-	(143.3)	(143.3)
Balance at 30 September 2010	1,812.8	(0.7)	2.8	137.9	(84.5)	12,051.4	13,919.7

**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 2011, the Company issued 1,604,853 shares upon exercise of options pursuant to share options exercised 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 July 2011	1,198,246,165	1,836.0
Share options exercised during the period July to September 2011	1,604,853	20.1
Balance at 30 September 2011	1,199,851,018	1,856.1

As at 30 September 2011, the number of ordinary shares in issue was 1,199,851,018 of which 12,645,390 were held by the Company as treasury shares. The share capital was \$1,856.1 million. (30 September 2010: 1,196,369,637 ordinary shares of which 59,984 were held as treasury shares.)

#### Employee Share Option Plan

As at 30 September 2011, the number of share options of the Company outstanding was 37,986,025 (30 September 2010: 45,123,323). During the period July to September 2011, 1,682,618 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 July to September 2011 is as follows:

Date of Grant	Balance at 01.07.2011	Cancelled	Exercised	Balance at 30.09.2011	Exercise price*	Expiry date
02.07.2001	348,604	(329,224)	(19,380)	-	\$9.75	01.07.2011
01.07.2002	2,140,246	(10,070)	(132,100)	1,998,076	\$9.81	30.06.2012
01.07.2003	1,506,363	(4,180)	(236,292)	1,265,891	\$7.33	30.06.2013
01.07.2004	2,631,577	(9,880)	(172,794)	2,448,903	\$7.69	30.06.2014
01.07.2005	5,068,684	(10,237)	(365,240)	4,693,207	\$8.27	30.06.2015
03.07.2006	6,986,064	(14,292)	(393,798)	6,577,974	\$9.59	02.07.2016
02.07.2007	11,091,020	(45,885)	-	11,045,135	\$15.71	01.07.2017
01.07.2008	10,347,403	(27,550)	(363,014)	9,956,839	\$12.32	30.06.2018
	40,119,961	(451,318)	(1,682,618)	37,986,025		

\* 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. 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 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 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 2011, the number of outstanding shares granted under the Company's RSP and PSP were 1,463,457 (30 September 2010: 1,545,161) and 523,811 respectively (30 September 2010: 644,664).

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

Date of Grant	Number of Restricted Shares					Balance at 30.09.2011
	Balance at 01.07.2011	Granted	Adjustment <sup>#</sup>	Vested	Modifications <sup>^</sup>	
<b><u>RSP</u></b>						
01.08.2007	116,928	-	-	(116,928)	-	-
01.07.2008	210,440	-	-	(122,889)	5,156	92,707
29.07.2009	634,809	-	(110,029)	(310,960)	12,615	226,435
22.07.2010	527,300	-	-	-	31,165	558,465
01.07.2011	-	553,160	-	-	32,690	585,850
	1,489,477	553,160	(110,029)	(550,777)	81,626	1,463,457

<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.

<sup>^</sup> Following approval by the Company's shareholders of the declaration of a special dividend of \$0.80 per share on 29 July 2011, the Board Compensation & Industrial Relations Committee approved an increase in all restricted shares outstanding on 18 August 2011 under the RSP.

Date of Grant	Number of Performance Shares					Balance at 30.09.2011
	Balance at 01.07.2011	Granted	Adjustment <sup>#</sup>	Vested	Modifications <sup>^</sup>	
<b><u>PSP</u></b>						
01.07.2008	224,224	-	68,006	(292,230)	-	-
29.07.2009	193,760	-	-	-	11,462	205,222
22.07.2010	155,400	-	-	-	9,190	164,590
01.07.2011	-	145,400	-	-	8,599	153,999
	573,384	145,400	68,006	(292,230)	29,251	523,811

<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.

<sup>^</sup> Following approval by the Company's shareholders of the declaration of a special dividend of \$0.80 per share on 29 July 2011, the Board Compensation & Industrial Relations Committee approved an increase in all performance shares outstanding on 18 August 2011 under the PSP.

In addition, during the previous financial year, the Board Compensation & Industrial Relations Committee approved a special time-based RSP. 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 30.09.2011
	Balance at 01.07.2011	Granted	Vested	Modifications <sup>^</sup>	
<b>RSP</b> 07.05.2010	460,000	-	(5,000)	26,916	481,916
	460,000	-	(5,000)	26,916	481,916

<sup>^</sup> Following approval by the Company's shareholders of the declaration of a special dividend of \$0.80 per share on 29 July 2011, the Board Compensation & Industrial Relations Committee approved an increase in all time-based restricted shares outstanding on 18 August 2011 under the time-based RSP.

**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 2011, the number of ordinary shares in issue was 1,199,851,018 of which 12,645,390 were held by the Company as treasury shares (30 September 2010: 1,196,369,637 ordinary shares of which 59,984 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 2011, the Company purchased 12,508,000 treasury shares (July to September 2010: NIL).

The Company transferred 77,765 treasury shares to employees on exercise of share options and another 848,007 on vesting of share-based incentive plans (July to September 2010: NIL on transfer on exercise of share options and 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 2011	1,063,162	(14.9)
Purchase of treasury shares	12,508,000	(142.0)
Treasury shares transferred on exercise of share options	(77,765)	1.0
Treasury shares transferred on vesting of share-based incentive plans	(848,007)	11.8
Balance at 30 September 2011	12,645,390	(144.1)

**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 2011. 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 2011 has no significant impact on 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			
	2 <sup>nd</sup> Quarter 2011-12	2 <sup>nd</sup> Quarter 2010-11	1 <sup>st</sup> Half 2011-12	1 <sup>st</sup> Half 2010-11
Earnings per share (cents)				
- Basic	16.2	31.8	20.0	53.0
- Diluted	16.1	31.4	19.7	52.3

**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 Sep 11	As at 31 Mar 11	As at 30 Sep 11	As at 31 Mar 11
Net asset value per ordinary share (\$)	10.90	11.89	10.87	11.83

**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 Half 2011-12

The Group made a net profit of \$239 million in the first half of the 2011-12 financial year. This was \$394 million (-62%) lower than the same period a year ago, principally on account of high fuel costs. Operating profit declined to \$134 million, \$462 million (-78%) lower than the first half of the previous financial year.

Group revenue grew \$180 million (+3%) to \$7,277 million, supported by higher passenger carriage and flat yields, despite increased competition and weak business sentiment.

Group expenditure at \$7,143 million was higher by \$642 million (+10%). Expenditure on fuel increased \$747 million (+35%) as jet fuel prices spiked 45% over the same period last year. This was partially offset by a \$118 million year-on-year improvement in fuel hedging.

All the main companies in the Group recorded weaker operating results for the first half of the financial year. The operating profit of the Parent Airline Company fell \$327 million (-86%), owing to higher fuel expenditure which increased \$643 million (+37%) to \$2,384 million. With stringent cost discipline, passenger unit cost excluding fuel declined 7%.

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

- Parent Airline Company      Operating profit of \$53 million (\$380 million profit in 2010)
- SIA Engineering              Operating profit of \$69 million (\$71 million profit in 2010)
- SilkAir                          Operating profit of \$34 million (\$36 million profit in 2010)
- SIA Cargo                        Operating loss of \$31 million (\$102 million profit in 2010)

#### Second Quarter 2011-12

The Group net profit attributable to equity holders for the July-September quarter was \$194 million, a decline of \$186 million (-49%) over the same period in the previous year.

Group revenue grew 2% (+\$68 million) to \$3,699 million, while Group expenditure at \$3,576 million rose at a faster pace of 9% (+\$290 million) on higher jet fuel prices.

Consequently, Group operating profit for the second quarter fell \$222 million (-64%) to \$123 million.

#### **BALANCE SHEET REVIEW** **(September 2011 vs March 2011)**

Equity attributable to owners of the parent decreased by \$1,263 million or 9% to \$12,942 million as at 30 September 2011 due mainly to the payment of final and special dividends in respect of FY2010-11 (-\$1,439 million) from the general reserve, partially offset by profit for the first half year (+\$239 million).

Total Group assets decreased by \$1,608 million (-7%) to \$22,937 million primarily due to the decrease in cash and bank balances by \$1,470 million, arising from the payment of final and special dividends in respect of FY2010-11. Property, plant and equipment decreased \$315 million due mainly to sale of aircraft during the year. This was partially offset by increase in long-term investments of \$199 million on investments in liquid investment grade corporate bonds, credit-linked notes and a 16% equity interest in China Cargo Airlines Ltd.

Total Group liabilities decreased \$325 million or 3% to \$9,717 million as at 30 September 2011. This was mainly on account of lower current tax payable (-\$133 million), deferred taxation (-\$88 million) and sales in advance of carriage (-\$83 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 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 prevailing economic uncertainty and weak consumer confidence are impacting demand for air transportation. Advance passenger bookings are showing signs of weakness, particularly in Europe and the United States. Global Purchasing Manager Indices have also fallen, pointing to weaker demand for air freight. Both passenger and cargo yields are therefore expected to remain under pressure.

Exacerbating the impact of the weak outlook is the high cost of fuel, which is compounded by the recent strength in the US dollar. Forward prices for jet fuel remain high and volatile.

The Group has a strong balance sheet and in this difficult operating environment, will monitor and respond appropriately to changing business trends and continue to exercise tight cost control.

**SUBSEQUENT EVENT**

Pursuant to the renounceable Rights Issue of Tiger Airways Holdings Limited ("Tiger Airways"), Singapore Airlines had been allocated 89,504,625 Rights Shares, increasing the total number of shares held by the Company to 268,513,875. Based on an issue price of \$0.58 per Rights Share, the total consideration paid by the Company in relation to the subscription of the Rights Shares was approximately \$51.9 million. The Company's shareholding in Tiger Airways remains unchanged at approximately 32.8% of the enlarged share capital immediately following the Rights Issue.

**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	20 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

**(c) Date payable**

The interim dividend will be paid on 2 December 2011.

**(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 21 November 2011 for the purpose of determining shareholders' entitlements to the interim dividend and will re-open at 9:00 a.m. on 23 November 2011.

Duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Share Registrar, M & C Services Private Limited, 138 Robinson Road, #17-00 The Corporate Office, Singapore 068906 up to 5:00 p.m. on 21 November 2011 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 21 November 2011 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 2<sup>nd</sup> quarter of the Financial Year 2011-12 are as follows:

Name of Interested Person	Aggregate value of all IPTs during the financial quarter 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 2011-12 (\$)	2 <sup>nd</sup> Quarter 2011-12 (\$)
<b>SATS Ltd. Group</b>		
- Aero Laundry & Linen Services Private Limited	-	2,861,836
- Air India SATS Airport Services Private Limited	-	1,411,597
- Asia Airfreight Terminal Co Ltd	-	2,957,656
- Beijing Airport Inflight Kitchen Limited	-	910,237
- Beijing Aviation Ground Services Company Ltd	-	1,422,648
- Maldives Inflight Catering Pte Ltd	-	587,232
- PT Jasa Angkasa Semesta Tbk	-	2,823,916
- SATS Airport Services Pte Ltd	-	7,735,955
- SATS Catering Pte Ltd	-	4,977,702
- SATS HK Limited	-	1,075,807
- SATS Ltd	-	140,508,889
- SATS Security Services Private Limited	-	5,916,956
- Taj Madras Flight Kitchen Pvt Limited	-	133,598
- Taj SATS Air Catering Ltd	-	887,125
<b>Singapore Telecommunications Limited Group</b>		
- Singapore Telecommunications Limited	-	2,331,128
<b>Temasek Holdings (Private) Limited and Associate</b>		
- Great Wall Airlines Company Limited	-	113,884
<b>Total Interested Person Transactions</b>	-	176,656,166

By Order of the Board

Ethel Tan (Mrs)  
Company Secretary  
3 November 2011

**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 2011 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

3 November 2011