



AUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2008

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

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2008 (in \$ million)

	The Group		The Group	
	4th Quarter 2007-08	4th Quarter 2006-07	2007-08	2006-07
REVENUE	4,107.2	3,671.1	15,972.5	14,494.4
EXPENDITURE				
Staff costs	796.1	807.5	2,903.4	2,727.4
Fuel costs	1,286.6	1,130.7	5,025.6	4,916.7
Depreciation	376.6	349.2	1,488.8	1,319.4
Impairment of property, plant and equipment	--	0.6	--	0.6
Amortisation of intangible assets	11.2	11.7	42.5	54.0
Aircraft maintenance and overhaul costs	97.4	51.2	430.9	311.4
Commission and incentives	100.8	102.6	434.4	405.1
Landing, parking and overflying charges	165.9	160.8	665.7	655.1
Handling charges	136.6	146.7	582.8	603.1
Rentals on leased aircraft	113.0	90.4	381.9	379.9
Material costs	66.7	71.7	322.1	316.6
Inflight meals	57.4	62.5	255.2	260.3
Advertising and sales costs	88.9	82.2	261.5	257.8
Insurance expenses	15.0	21.9	71.7	94.1
Company accommodation and utilities	48.7	44.3	175.3	170.0
Other passenger costs	35.8	37.2	137.8	133.8
Crew expenses	38.2	30.8	144.1	125.0
Other operating expenses	204.2	135.6	524.3	449.7
	3,639.1	3,337.6	13,848.0	13,180.0
OPERATING PROFIT	468.1	333.5	2,124.5	1,314.4
Finance charges	(26.2)	(37.6)	(100.2)	(124.1)
Interest income	53.5	58.5	181.2	181.8
Surplus on disposal of aircraft, spares and spare engines	41.7	90.0	49.1	237.9
Dividends from long-term investments, gross	4.2	1.9	34.8	38.8
Other non-operating items	36.9	46.7	96.8	77.9
Share of profits of joint venture companies	12.0	10.3	50.8	57.9
Share of profits of associated companies	(6.0)	3.1	110.2	79.0
PROFIT BEFORE EXCEPTIONAL ITEMS	584.2	506.4	2,547.2	1,863.6
Exceptional items	--	--	--	421.0
PROFIT BEFORE TAXATION	584.2	506.4	2,547.2	2,284.6
TAXATION				
Taxation expense	(35.8)	(67.5)	(410.3)	(328.9)
Adjustment for reduction in Singapore statutory tax rate	--	246.7	--	246.7
	(35.8)	179.2	(410.3)	(82.2)
PROFIT FOR THE FINANCIAL YEAR	548.4	685.6	2,136.9	2,202.4
PROFIT ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	527.5	671.3	2,049.4	2,128.8
MINORITY INTERESTS	20.9	14.3	87.5	73.6
	548.4	685.6	2,136.9	2,202.4
BASIC EARNINGS PER SHARE (CENTS)	44.5	53.9	168.5	172.6
DILUTED EARNINGS PER SHARE (CENTS)	44.1	53.2	166.1	170.8

Notes:

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

	The Group		The Group	
	4th Quarter 2007-08	4th Quarter 2006-07	2007-08	2006-07
Interest income from short-term investments	(0.3)	(0.2)	(0.9)	(0.8)
Dividend income from short-term investments	(0.1)	(0.1)	(0.8)	(0.8)
Amortisation of deferred gain on sale and operating leaseback transactions	(25.3)	(21.5)	(102.7)	(88.4)
Surplus on disposal of short-term investments	(29.2)	(1.0)	(36.7)	(3.5)
Bad debts written off directly to the profit and loss account, net of debts recovered	0.3	0.6	1.1	1.8
Impairment/(writeback) of trade debtors	(1.4)	(4.7)	2.9	(5.5)
Writedown of inventories	22.0	12.6	22.0	12.6
Exchange losses, net	39.1	10.5	117.7	79.9
Fuel hedging (gain)/loss recognised in "Fuel costs"	(134.3)	102.0	(232.2)	118.9
Ineffectiveness of fuel hedging contracts recognised in "Fuel costs"	(2.5)	--	(2.5)	--
Over provision of tax in respect of prior years	(43.4)	(17.9)	(43.7)	(19.3)

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

	The Group		The Group	
	4th Quarter 2007-08	4th Quarter 2006-07	2007-08	2006-07
Surplus on liquidation of Asia Leasing Limited	--	--	--	1.2
Recognition of liquidated damages	13.8	10.5	55.2	32.4
Surplus on disposal of other property, plant and equipment	22.7	35.9	40.2	43.1
Amortisation of deferred gain on sale and finance leaseback transactions	0.4	0.4	1.4	1.4
Impairment of long-term investments	--	(0.1)	--	(0.2)
	<u>36.9</u>	<u>46.7</u>	<u>96.8</u>	<u>77.9</u>

(iii) The exceptional items comprise the following:

	The Group		The Group	
	4th Quarter 2007-08	4th Quarter 2006-07	2007-08	2006-07
Surplus on sale of SIA Building	--	--	--	223.3
Surplus on sale of investment in Singapore Aircraft Leasing Enterprise Pte Ltd	--	--	--	197.7
	<u>--</u>	<u>--</u>	<u>--</u>	<u>421.0</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.

BALANCE SHEET AS AT 31 MARCH 2008 (in \$ million)

	The Group		The Company	
	31-Mar 2008	31-Mar 2007	31-Mar 2008	31-Mar 2007
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	1,682.0	1,494.9	1,682.0	1,494.9
Treasury shares	(33.2)	--	(33.2)	--
Capital reserve	95.6	44.9	--	--
Foreign currency translation reserve	(130.7)	(59.5)	--	--
Share-based compensation reserve	136.4	97.3	98.6	71.2
Fair value reserve	443.4	(45.5)	198.6	(18.1)
General reserve	12,931.7	13,567.9	11,589.7	12,544.1
	15,125.2	15,100.0	13,535.7	14,092.1
MINORITY INTERESTS	503.7	443.3	--	--
TOTAL EQUITY	15,628.9	15,543.3	13,535.7	14,092.1
DEFERRED ACCOUNT	787.3	973.6	660.0	810.8
DEFERRED TAXATION	2,542.1	2,410.9	2,101.9	1,981.5
LONG-TERM LIABILITIES	1,599.2	1,805.8	900.0	900.0
	20,557.5	20,733.6	17,197.6	17,784.4
Represented by:-				
PROPERTY, PLANT & EQUIPMENT				
Aircraft, spares and spare engines	13,182.2	12,944.3	10,708.5	10,204.2
Land and buildings	729.3	793.4	132.2	147.9
Others	2,562.6	2,574.0	2,218.3	2,257.3
	16,474.1	16,311.7	13,059.0	12,609.4
INTANGIBLE ASSETS	106.6	100.2	79.0	67.0
SUBSIDIARY COMPANIES	--	--	1,780.8	1,893.1
ASSOCIATED COMPANIES	1,121.0	897.5	1,722.2	1,722.2
JOINT VENTURE COMPANIES	95.1	86.6	--	--
LONG-TERM INVESTMENTS	43.3	43.3	18.9	18.9
OTHER NON-CURRENT ASSETS	361.8	303.9	353.6	303.9
CURRENT ASSETS				
Section 44 tax prepayments	--	46.7	--	46.7
Inventories	507.7	534.1	406.3	452.5
Trade debtors	2,043.8	1,737.7	1,433.4	1,252.0
Deposits and other debtors	73.1	128.7	37.7	105.8
Prepayments	104.9	86.1	90.2	71.3
Amounts owing by subsidiary companies	--	--	227.4	215.4
Amounts owing by associated companies	0.5	1.9	--	--
Investments	464.3	596.0	360.9	467.0
Cash and bank balances	5,119.0	5,117.6	4,216.7	4,627.5
	8,313.3	8,248.8	6,772.6	7,238.2
Less:- CURRENT LIABILITIES				
Sales in advance of carriage	1,680.3	1,392.9	1,647.0	1,365.1
Deferred revenue	435.7	388.3	435.7	388.3
Current tax payable	415.1	317.9	282.7	158.7
Trade and other creditors	3,367.9	3,061.8	2,494.0	2,164.7
Amounts owing to subsidiary companies	--	--	1,729.1	1,967.6
Amounts owing to associated companies	1.2	--	--	--
Finance lease commitments-repayable within one year	56.9	60.8	--	--
Loans-repayable within one year	0.6	12.8	--	--
Bank overdrafts	--	23.9	--	23.9
	5,957.7	5,258.4	6,588.5	6,068.3
NET CURRENT ASSETS	2,355.6	2,990.4	184.1	1,169.9
	20,557.5	20,733.6	17,197.6	17,784.4

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

Amount repayable in one year or less, or on demand

As at 31 March 2008		As at 31 March 2007	
Secured	Unsecured	Secured	Unsecured
\$57.0M	\$0.5M	\$72.8M	\$24.7M

Amount repayable after one year

As at 31 March 2008		As at 31 March 2007	
Secured	Unsecured	Secured	Unsecured
\$495.8M	\$1,103.4M	\$703.2M	\$1,102.6M

Details of any collateral

\$0.2 million of the secured borrowings by SIAEC are secured by equipment and vehicles, of which \$0.1 million is repayable within one year. In addition, \$4.2 million of the secured borrowings obtained by SATS Group are secured by machineries, of which \$0.4 million is repayable within one year. The remaining secured borrowings pertained to finance leases of aircraft (\$548.4 million).

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

**CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2008 (in \$ million)**

	The Group	
	2007-08	2006-07
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,547.2	2,284.6
Adjustments for:-		
Depreciation	1,488.8	1,319.4
Impairment of property, plant and equipment	--	0.6
Amortisation of intangible assets	42.5	54.0
Income from short-term investments	(1.7)	(1.6)
Share-based compensation expense	73.9	57.6
Exchange differences	57.2	5.7
Amortisation of deferred gain on sale and operating leaseback transactions	(102.7)	(88.4)
Finance charges	100.2	124.1
Interest income	(181.2)	(181.8)
Surplus on disposal of aircraft, spares and spare engines	(49.1)	(237.9)
Dividends from long-term investments, gross	(34.8)	(38.8)
Other non-operating items	(96.8)	(77.9)
Share of profits of joint venture companies	(50.8)	(57.9)
Share of profits of associated companies	(110.2)	(79.0)
Surplus on sale of SIA Building	--	(223.3)
Surplus on sale of investment in Singapore Aircraft Leasing Enterprise Pte Ltd	--	(197.7)
Operating profit before working capital changes	3,682.5	2,661.7
Increase in trade and other creditors	203.3	355.4
Decrease/(increase) in short term investments	104.8	(130.8)
Increase in sales in advance of carriage	287.4	201.3
Decrease in trade debtors	74.5	40.9
Decrease/(increase) in deposits and other debtors	55.6	(11.8)
Increase in prepayments	(18.8)	(4.5)
Decrease/(increase) in inventories	26.4	(16.6)
Increase in deferred revenue	47.4	78.4
Decrease in amounts owing to/by associated companies	2.6	1.8
Cash generated from operations	4,465.7	3,175.8
Income taxes paid	(196.3)	(12.3)
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,269.4	3,163.5
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(2,088.6)	(3,026.7)
Purchase of intangible assets	(47.6)	(32.5)
Proceeds from disposal of aircraft and other property, plant and equipment	515.1	1,586.6
Return of capital from associated companies	--	3.9
Investments in associated companies	(7.6)	(23.6)
Capital expenditure for setting up associated companies	(8.2)	--
Acquisition of subsidiary company, net of cash acquired	(1.5)	--
Repayment of loan receivable	--	42.0
Repayment of loans by associated companies	0.8	--
Proceeds from disposal of long-term investments	--	382.4

**CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2008 (in \$ million)**

	The Group	
	2007-08	2006-07
Proceeds from disposal of a joint venture company	--	509.4
Dividends received from associated and joint venture companies	111.4	60.6
Dividends received from investments	35.6	39.6
Interest received from investments and deposits	177.0	168.2
Interest received on loans to associated companies	12.5	12.1
NET CASH USED IN INVESTING ACTIVITIES	(1,301.1)	(278.0)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(1,313.2)	(614.8)
Dividends paid by subsidiary companies to minority interests	(56.4)	(72.4)
Interest paid	(82.2)	(109.1)
Proceeds from borrowings	1.5	--
Repayment of borrowings	(114.0)	(16.9)
Repayment of long-term lease liabilities	(56.4)	(345.3)
Proceeds from issuance of share capital by subsidiary companies to minority interests	1.1	0.1
Proceeds from exercise of share options	356.6	342.4
Capital reduction	(1,556.3)	--
Proceeds from issuance of shares	20.2	--
Purchase of treasury shares	(33.2)	--
NET CASH USED IN FINANCING ACTIVITIES	(2,832.3)	(816.0)
NET CASH INFLOW	136.0	2,069.5
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	5,093.7	3,141.2
Effect of exchange rate changes	(110.7)	(117.0)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5,119.0	5,093.7
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits	4,723.7	4,385.5
Cash and bank	395.3	732.1
Bank overdrafts	--	(23.9)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5,119.0	5,093.7

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 FINANCIAL YEAR ENDED 31 MARCH 2008 (in \$ million)**

The Group	Attributable to Equity Holders of the Company									Total equity
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Minority interests	
Balance at 1 April 2007	1,494.9	--	44.9	(59.5)	97.3	(45.5)	13,567.9	15,100.0	443.3	15,543.3
Currency translation differences	--	--	--	(71.2)	--	--	--	(71.2)	(12.4)	(83.6)
Net fair value changes on available-for-sale assets	--	--	--	--	--	(26.9)	--	(26.9)	--	(26.9)
Net fair value changes on cash flow hedges	--	--	--	--	--	291.6	--	291.6	--	291.6
Share of associated companies' fair value reserve	--	--	--	--	--	224.2	--	224.2	--	224.2
Share of associated companies' capital reserve	--	--	50.7	--	--	--	--	50.7	--	50.7
Surplus on dilution of interest in subsidiary companies due to share options exercised	--	--	--	--	(11.9)	--	27.0	15.1	40.6	55.7
Net income and expense not recognised in the profit and loss account	--	--	50.7	(71.2)	(11.9)	488.9	27.0	483.5	28.2	511.7
Profit for the financial year	--	--	--	--	--	--	2,049.4	2,049.4	87.5	2,136.9
Net income and expense recognised for the financial year	--	--	50.7	(71.2)	(11.9)	488.9	2,076.4	2,532.9	115.7	2,648.6
Issuance of share capital by subsidiary companies	--	--	--	--	--	--	--	--	1.1	1.1
Share-based compensation expense	--	--	--	--	73.9	--	--	73.9	--	73.9
Share options exercised	322.8	--	--	--	(21.9)	--	--	300.9	--	300.9
Share options lapsed	--	--	--	--	(1.0)	--	1.0	--	--	--
Capital reduction	(155.9)	--	--	--	--	--	(1,400.4)	(1,556.3)	--	(1,556.3)
Shares issued	20.2	--	--	--	--	--	--	20.2	--	20.2
Purchase of treasury shares	--	(33.2)	--	--	--	--	--	(33.2)	--	(33.2)
Dividends	--	--	--	--	--	--	(1,313.2)	(1,313.2)	(56.4)	(1,369.6)
Balance at 31 March 2008	1,682.0	(33.2)	95.6	(130.7)	136.4	443.4	12,931.7	15,125.2	503.7	15,628.9

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2007 (in \$ million)**

The Group	Attributable to Equity Holders of the Company								Total equity
	Share capital	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Minority interests	
Balance at 1 April 2006	1,202.6	40.8	(30.5)	81.8	163.6	12,012.3	13,470.6	396.3	13,866.9
Currency translation differences	--	--	(29.0)	--	--	--	(29.0)	(8.3)	(37.3)
Net fair value changes on available-for-sale assets	--	--	--	--	18.7	--	18.7	--	18.7
Net fair value changes on cash flow hedges	--	--	--	--	(90.5)	--	(90.5)	--	(90.5)
Arising from the disposal of a joint venture	--	(10.3)	--	--	(2.8)	3.4	(9.7)	--	(9.7)
Share of associated companies' fair value reserve	--	--	--	--	(134.5)	--	(134.5)	--	(134.5)
Share of associated companies' capital reserve	--	14.4	--	--	--	--	14.4	--	14.4
Surplus on dilution of interest in subsidiary companies due to share options exercised	--	--	--	(11.7)	--	34.6	22.9	54.0	76.9
Net income and expense not recognised in the profit and loss account	--	4.1	(29.0)	(11.7)	(209.1)	38.0	(207.7)	45.7	(162.0)
Profit for the financial year	--	--	--	--	--	2,128.8	2,128.8	73.6	2,202.4
Net income and expense recognised for the financial year	--	4.1	(29.0)	(11.7)	(209.1)	2,166.8	1,921.1	119.3	2,040.4
Issuance of share capital by subsidiary companies	--	--	--	--	--	--	--	0.1	0.1
Share-based compensation expense	--	--	--	57.6	--	--	57.6	--	57.6
Share options exercised	292.3	--	--	(26.8)	--	--	265.5	--	265.5
Share options lapsed	--	--	--	(3.6)	--	3.6	--	--	--
Dividends	--	--	--	--	--	(614.8)	(614.8)	(72.4)	(687.2)
Balance at 31 March 2007	1,494.9	44.9	(59.5)	97.3	(45.5)	13,567.9	15,100.0	443.3	15,543.3

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2008 (in \$ million)**

The Company	Share capital	Treasury shares	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2007	1,494.9	--	71.2	(18.1)	12,544.1	14,092.1
Net fair value changes on available-for-sale assets	--	--	--	(22.3)	--	(22.3)
Net fair value changes on cash flow hedges	--	--	--	239.0	--	239.0
Net expense not recognised in the profit and loss account	--	--	--	216.7	--	216.7
Profit for the financial year	--	--	--	--	1,758.8	1,758.8
Net income and expense recognised for the financial year	--	--	--	216.7	1,758.8	1,975.5
Share-based compensation expense	--	--	49.7	--	--	49.7
Share options exercised	322.8	--	(21.9)	--	--	300.9
Share options lapsed	--	--	(0.4)	--	0.4	--
Capital reduction	(155.9)	--	--	--	(1,400.4)	(1,556.3)
Shares issued	20.2	--	--	--	--	20.2
Purchase of treasury shares	--	(33.2)	--	--	--	(33.2)
Dividends	--	--	--	--	(1,313.2)	(1,313.2)
Balance at 31 March 2008	1,682.0	(33.2)	98.6	198.6	11,589.7	13,535.7

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2007 (in \$ million)**

The Company	Share capital	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2006	1,202.6	63.1	35.6	10,943.3	12,244.6
Net fair value changes on available-for-sale assets	--	--	16.9	--	16.9
Net fair value changes on cash flow hedges	--	--	(70.6)	--	(70.6)
Net expense not recognised in the profit and loss account	--	--	(53.7)	--	(53.7)
Profit for the financial year	--	--	--	2,213.2	2,213.2
Net income and expense recognised for the financial year	--	--	(53.7)	2,213.2	2,159.5
Share-based compensation expense	--	37.3	--	--	37.3
Share options exercised	292.3	(26.8)	--	--	265.5
Share options lapsed	--	(2.4)	--	2.4	--
Dividends	--	--	--	(614.8)	(614.8)
Balance at 31 March 2007	1,494.9	71.2	(18.1)	12,544.1	14,092.1

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, TREASURY SHARES AND SHARE PLANS IN THE COMPANY

(i) Share Capital

During the financial year, the Company issued 22,717,093 shares (2006-07: 22,128,620) upon exercise of options granted under the Employee Share Option Plan.

In addition, the Company cancelled 84,309,846 shares (2006-07: Nil) at the price of \$18.46 per share pursuant to a capital reduction under Section 78G of the Singapore Companies Act.

1,093,530 shares (2006-07: Nil) were issued under a top-up offer of new shares at the price of \$18.46 per share following the capital reduction. The offer was given to shareholders to round up their holding of shares after the capital reduction to the nearest multiple of 200 shares.

	Number of Shares	Share Capital (\$ million)
Group and Company		
Issued and fully paid share capital		
<u>Ordinary shares</u>		
Balance at 1 April 2007	1,246,833,370	1,494.9
Share options exercised during the year	22,717,093	322.8
Shares cancelled during the year pursuant to the capital reduction exercise	(84,309,846)	(155.9)
Shares issued during the year in relation to the top-up offer pursuant to the capital reduction exercise	1,093,530	20.2
Balance at 31 March 2008	1,186,334,147	1,682.0

Treasury Shares

During the financial year, the Company purchased 2,301,000 (2006-07: Nil) of its ordinary shares by way of on-market purchases at share prices ranging from \$13.92 to \$15.24. The total amount paid to purchase the shares was \$33.2 million (2006-07: Nil) and this is presented as a component within shareholders' equity.

Group and Company	Number of Shares	Treasury Shares (\$ million)
Balance at 1 April 2007	--	--
Purchase of treasury shares	2,301,000	(33.2)
Balance at 31 March 2008	2,301,000	(33.2)

The total number of issued ordinary shares excluding treasury shares as at 31 March 2008 was 1,184,033,147 (31 March 2007: 1,246,833,370).

(ii) Employee Share Option Plan

As at 31 March 2008, the number of share options of the Company outstanding was 56,670,796 (31 March 2007: 68,338,907).

During the period April 2007 to March 2008, 22,717,093 shares were exercised under the Singapore Airlines Limited Employee Share Option Plan, which comprises the Senior Executive Share Option Scheme for senior executives and the Employee Share Option Scheme for all other employees.

The movement of share options of the Company during the financial year 2007-08 is as follows:

Date of grant	Balance at 01.04.2007	Granted during 01.04.2007 to 31.03.2008	Cancelled during 01.04.2007 to 31.03.2008	Exercised during 01.04.2007 to 31.03.2008	Balance at 31.03.2008	Exercise price *	Expiry date
28.03.2000	9,689,890	-	(215,460)	(4,530,849)	4,943,581	\$14.84	27.03.2010
03.07.2000	9,784,740	-	(156,480)	(4,459,435)	5,168,825	\$16.15	02.07.2010
02.07.2001	5,122,617	-	(118,010)	(2,293,989)	2,710,618	\$11.46	01.07.2011
01.07.2002	7,264,844	-	(74,920)	(3,194,748)	3,995,176	\$12.32	30.06.2012
01.07.2003	4,989,435	-	(18,978)	(1,984,079)	2,986,378	\$9.84	30.06.2013
01.07.2004	6,712,907	-	(46,596)	(1,894,171)	4,772,140	\$10.20	30.06.2014
01.07.2005	12,204,525	-	(94,574)	(3,898,514)	8,211,437	\$10.78	30.06.2015
03.07.2006	12,569,949	-	(314,175)	(461,308)	11,794,466	\$12.10	02.07.2016
02.07.2007	-	12,324,345	(236,170)	-	12,088,175	\$18.22	01.07.2017
	68,338,907	12,324,345	(1,275,363)	(22,717,093)	56,670,796		

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

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

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

Depending on the achievement of pre-determined targets over a two-year period for the RSP and a three-year period for the PSP, the final number of restricted shares and performance shares awarded could range between 0% and 120% of the initial grant of the restricted shares and between 0% and 150% of the initial grant of the performance shares.

As at 31 March 2008, the number of outstanding shares granted under the Company's RSP and PSP were 788,310 (31 March 2007: 258,330) and 302,653 respectively (31 March 2007: 140,900).

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

Date of grant	Number of Restricted Shares			
	Balance at 01.04.2007/later date of grant	Adjustment #	Cancelled	Balance at 31.03.2008
RSP				
27.07.2006	258,330	6,825	(4,650)	260,505
01.08.2007	513,950	13,855	-	527,805
	772,280	20,680	(4,650)	788,310

Date of grant	Number of Performance Shares			
	Balance at 01.04.2007/later date of grant	Adjustment #	Cancelled	Balance at 31.03.2008
PSP				
27.07.2006	140,900	3,801	-	144,701
01.08.2007	153,800	4,152	-	157,952
	294,700	7,953	-	302,653

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 revision in all restricted shares and performance shares outstanding on 2 August 2007 under the RSP and PSP respectively. The number of outstanding restricted shares and performance shares reflected here are after such adjustment.

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

The figures have been audited in accordance with Singapore Standards on Auditing.

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

See attached auditor's report.

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 financial statements for the current financial reporting period compared with the audited financial statements as at 31 March 2007.

The adoption of the new Financial Reporting Standard (FRS) 107, Financial Instruments: Disclosures and the amendments to FRS 1, Presentation of Financial Statements (Capital Disclosures) introduces new disclosures relating to financial instruments and capital management with no changes to the Group's accounting policies.

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The amendment to FRS 1 requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

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		The Group	
	4th Quarter 2007-08	4th Quarter 2006-07	2007-08	2006-07
Earnings per share (cents)				
- Basic	44.5	53.9	168.5	172.6
- Diluted	44.1	53.2	166.1	170.8

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 31 Mar 08	As at 31 Mar 07	As at 31 Mar 08	As at 31 Mar 07
Net asset value per ordinary share (\$)	12.77	12.11	11.43	11.30

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

Financial Year 2007-08

Group operating profit for the year was \$2,125 million, a year-on-year improvement of \$810 million (+61.6%). This was principally on account of the Parent Airline Company (+\$617 million) and the wholly owned cargo company (+\$164 million), although all the five main operating companies in the Group posted better operating results.

- Singapore Airlines \$1,644 million (+60.1%)
- SIA Cargo \$ 132 million (Loss of \$32 million previously)
- SATS \$ 174 million (+13.8%)
- SIA Engineering \$ 103 million (+0.9%)
- SilkAir \$ 40 million (+100.0%)

Revenue grew \$1,478 million (+10.2%) to \$15,973 million, whilst expenditure rose \$668 million (+5.1%) to \$13,848 million due mainly to higher fuel cost. Expenditure on fuel rose by USD 513 million (+17%), equivalent to SGD 463 million (+10%).

Group profit attributable to shareholders for the financial year April 2007 to March 2008 was \$2,049 million, \$79 million lower (-3.7%) than in the preceding year, which had the benefit of one-off gains totalling \$421 million from the sale of non-core assets, and a writeback of deferred tax provision of \$247 million.

Fourth Quarter 2007-08

For the fourth quarter of financial year 2007-08, the Group posted an operating profit of \$468 million, a year-on-year improvement of \$135 million (+40.4%). All business segments contributed to the positive result.

Group revenue rose \$436 million (+11.9%) to \$4,107 million, while expenditure increased \$301 million (+9.0%) to \$3,639 million, led by higher fuel costs.

The Group earned a net profit attributable to equity holders of \$528 million in the fourth quarter ended 31 March 2008, \$144 million lower (-21.4%) than a year ago. Last year's fourth quarter results had the benefit of a one-off writeback of deferred tax provision of \$247 million arising from a reduction in the Singapore corporate tax rate from 20% to 18%. Excluding this one-off writeback last year, the fourth quarter's net profit attributable to equity holders would have been \$103 million higher (+24.2%) compared to the same quarter last year.

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

Actual results are in line with the previous statement.

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

OUTLOOK

In the reporting year, the Group benefited from a strong business environment.

However, the current turmoil in global financial markets has clouded the outlook for discretionary air travel. In addition, jet fuel prices, in step with crude oil prices, look set to stay well above US\$100 per barrel this year. The combination of a global economic slowdown and record high fuel prices will make this a more challenging year for airlines.

With strong finances and a united work team, SIA is well positioned to weather the storm.

SUBSEQUENT EVENTS

On 7 May 2008, Singapore Airlines announced an increase of the fuel surcharge for tickets issued on or after 12 May 2008. The adjustments will offer only partial relief of higher operating costs arising from recent increases in the price of jet fuel. Singapore Airlines will continue to monitor the price of jet fuel and keep the application of the fuel surcharge under active review.

On 4 April 2008, SIA Engineering Company signed a joint venture agreement with Cebu Pacific Air to set up an aircraft heavy maintenance facility at Clark International Airport in the Philippines. SIA Engineering Company will own 65% of this subsidiary, with Cebu Pacific Air holding the remaining 35%.

11 *Dividend*

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on? Yes.

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share	20.0 cents per ordinary share	80.0 cents per ordinary share

(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	Final	Special
Dividend Type	Cash	Cash	Cash
Dividend Amount per Share	15.0 cents per ordinary share	35.0 cents per ordinary share	50.0 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)	Tax-exempt (one-tier)	Tax-exempt (one-tier)

(c) Date payable

The final dividend, if so approved by shareholders, will be paid on 15 August 2008.

(d) Books closure date

NOTICE IS HEREBY GIVEN that, subject to the approval of shareholders to the final dividend being obtained at the Thirty-Sixth Annual General Meeting to be held on 29 July 2008, the Transfer Books and the Register of Members of the Company will be closed on 5 August 2008 for the preparation of dividend warrants.

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 4 August 2008 will be registered to determine shareholders' entitlements to the final dividend. Subject as aforesaid, shareholders whose Securities Account 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 4 August 2008 will be entitled to the final dividend.

The final dividend, if so approved by shareholders, will be paid on 15 August 2008.

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

Not applicable.

13 *Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.*

SEGMENT INFORMATION BY BUSINESS SEGMENTS (in \$ million)

	Airline Operations		Airport terminal services		Engineering services		Others		Total of segments		Elimination*		Consolidated	
	07-08	06-07	07-08	06-07	07-08	06-07	07-08	06-07	07-08	06-07	07-08	06-07	07-08	06-07
TOTAL REVENUE														
External revenue	15,263.9	13,785.8	338.2	344.2	289.7	287.4	80.7	77.0	15,972.5	14,494.4	-	-	15,972.5	14,494.4
Inter-segment revenue	50.6	53.5	619.8	601.5	719.9	690.0	126.6	150.5	1,516.9	1,495.5	(1,516.9)	(1,495.5)	-	-
	<u>15,314.5</u>	<u>13,839.3</u>	<u>958.0</u>	<u>945.7</u>	<u>1,009.6</u>	<u>977.4</u>	<u>207.3</u>	<u>227.5</u>	<u>17,489.4</u>	<u>15,989.9</u>	<u>(1,516.9)</u>	<u>(1,495.5)</u>	<u>15,972.5</u>	<u>14,494.4</u>
RESULTS														
Segment result	1,845.3	1,050.7	174.3	153.2	102.9	102.0	25.1	27.6	2,147.6	1,333.5	(23.1)	(19.1)	2,124.5	1,314.4
Finance charges	(106.7)	(138.9)	(6.1)	(6.2)	-	-	-	(0.5)	(112.8)	(145.6)	12.6	21.5	(100.2)	(124.1)
Interest income	178.2	169.0	15.7	18.2	9.8	13.7	2.6	2.4	206.3	203.3	(25.1)	(21.5)	181.2	181.8
Surplus on disposal of aircraft, spares and spare engines	34.2	214.9	-	-	-	-	-	-	34.2	214.9	14.9	23.0	49.1	237.9
Dividends from subsidiary companies, gross	253.6	357.9	-	-	-	-	-	-	253.6	357.9	(253.6)	(357.9)	-	-
Dividends from long-term investments, gross	20.4	22.5	1.1	1.0	13.7	15.5	-	-	35.2	39.0	(0.4)	(0.2)	34.8	38.8
Other non-operating items	72.0	76.1	19.0	1.5	1.3	0.3	-	-	92.3	77.9	4.5	-	96.8	77.9
Share of profits of joint venture companies	-	24.5	-	-	50.8	33.4	-	-	50.8	57.9	-	-	50.8	57.9
Share of profits of associated companies	(54.0)	(79.2)	44.7	52.1	107.0	106.1	-	-	97.7	79.0	12.5	-	110.2	79.0
Exceptional items	-	421.0	-	-	-	-	-	-	-	421.0	-	-	-	421.0
Taxation	(322.9)	(48.9)	(53.5)	(40.8)	(31.2)	(29.4)	(4.7)	(4.6)	(412.3)	(123.7)	2.0	41.5	(410.3)	(82.2)
Profit for the financial year	<u>1,920.1</u>	<u>2,069.6</u>	<u>195.2</u>	<u>179.0</u>	<u>254.3</u>	<u>241.6</u>	<u>23.0</u>	<u>24.9</u>	<u>2,392.6</u>	<u>2,515.1</u>	<u>(255.7)</u>	<u>(312.7)</u>	<u>2,136.9</u>	<u>2,202.4</u>
Attributable to:														
Equity holders of the Company													2,049.4	2,128.8
Minority interests													87.5	73.6
													<u>2,136.9</u>	<u>2,202.4</u>

* Relates to inter-segment transactions eliminated on consolidation. The Group generally accounts for such inter-segment transactions as if these transactions were to third parties at current market prices.

**ANALYSIS OF GROUP REVENUE BY AREA OF ORIGINAL SALE
- AIRLINE OPERATIONS (in \$ million)**

Revenue by Area of Original Sale	2007-08	2006-07
East Asia	6,444.3	5,974.6
Europe	2,158.8	1,957.4
South West Pacific	1,906.3	1,538.4
Americas	1,030.2	1,017.3
West Asia and Africa	989.4	874.7
Systemwide	12,529.0	11,362.4
Non-scheduled services and incidental revenue	2,785.5	2,476.9
Total	<u>15,314.5</u>	<u>13,839.3</u>

14 *In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.*

Please refer to note 8.

15 *A breakdown of sales.*

BREAKDOWN OF REVENUE AND RESULTS (in \$ million)

The Group (in \$ million)	2007-08	2006-07	% Change
<u>First Half</u>			
Revenue reported for the first half-year	7,589.2	7,029.6	+ 8.0
Profit after tax reported for the first half-year	977.9	908.4	+ 7.7
<u>Second Half</u>			
Revenue reported for the second half-year	8,383.3	7,464.8	+ 12.3
Profit after tax reported for the second half-year	1,159.0	1,294.0	- 10.4

16 *A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.*

Annual Dividend (\$ million)	2007-08	2006-07
Ordinary dividend		
- Interim	237.2	185.4
- Final #	947.2	443.0
Special dividend		
- Final	-	633.0
Total	1,184.4	1,261.4

2007-08 Final dividend is estimated based on number of shares outstanding as at the end of the financial year

17 *Interested Person Transactions*

The aggregate values of all Interested Person Transactions ("IPTs") entered into during the financial year 2007/08 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(\$)
Temasek Holdings (Private) Limited Group		
ASPrecise Pte Ltd	-	602,246
Great Wall Airlines Co Ltd	-	271,621
PT Bank Danamon Indonesia TBK	-	261,669
PT Bank Internasional Indonesia	-	313,500
Tiger Airways Pte Ltd	-	111,938
Singapore Computer Systems Limited Group		
Singapore Computer Systems Limited	-	229,559
Trusted Hub Ltd	-	354,805
Singapore Technologies Engineering Ltd Group		
Miltope Corporation	-	219,843
ST Aerospace Engineering Pte Ltd	-	366,629
Singapore Telecommunications Ltd Group		
Singapore Telecommunications Ltd	-	145,085
SNP Corporation Ltd Group		
SNP Security Printing Pte Ltd	-	211,327
StarHub Ltd Group		
StarHub Ltd	-	110,400
The Ascott Group Ltd Group		
Ascott International Management (New Zealand) Pte Ltd	-	484,268
Total interested persons transactions	-	3,682,890

By Order of the Board

Ethel Tan (Mrs)
Company Secretary
13 May 2008

AUDITORS' REPORT TO THE MEMBERS OF SINGAPORE AIRLINES LIMITED

We have audited the accompanying financial statements of Singapore Airlines Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 11 to 86, which comprise the balance sheets of the Group and the Company as at 31 March 2008, the statements of changes in equity of the Group and the Company, the profit and loss account and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

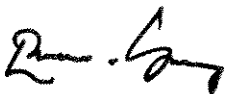
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2008 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and
- (ii) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



ERNST & YOUNG
Public Accountants and
Certified Public Accountants

Dated this 13th day of May 2008
Singapore