



## AUDITED RESULTS FOR THE YEAR ENDED 31 MARCH 2019

**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 2019 (in \$ million)

	The Group		The Group	
	4 <sup>th</sup> Quarter 2018/19	4 <sup>th</sup> Quarter 2017/18	2018/19	2017/18
<b>REVENUE</b>	4,075.1	4,017.3	16,323.2	15,806.1
<b>EXPENDITURE</b>				
Staff costs	715.8	710.4	2,816.9	2,709.0
Fuel costs	1,099.6	1,018.5	4,587.1	3,899.3
Depreciation	359.5	294.3	1,327.9	1,148.1
Impairment of property, plant and equipment	-	30.0	-	30.2
Amortisation of intangible assets	13.0	11.9	61.9	44.4
Aircraft maintenance and overhaul costs	219.0	242.1	899.2	918.6
Commission and incentives	128.6	117.1	472.5	437.5
Landing, parking and overflying charges	217.2	211.8	884.0	853.4
Handling charges	321.1	310.2	1,315.0	1,299.0
Rentals on leased aircraft	166.3	191.6	679.7	804.9
Inflight meals	138.4	128.1	550.4	532.6
Advertising and sales costs	103.0	83.8	331.8	291.4
Company accommodation and utilities	24.9	22.2	93.5	92.0
Other passenger costs	49.8	40.6	188.0	172.2
Crew expenses	43.7	40.2	168.1	160.4
Other operating expenses	221.7	231.1	880.1	864.3
	<u>3,821.6</u>	<u>3,683.9</u>	<u>15,256.1</u>	<u>14,257.3</u>
<b>OPERATING PROFIT</b>	253.5	333.4	1,067.1	1,548.8
Finance charges	(28.1)	(22.2)	(116.1)	(89.8)
Interest income	8.0	10.7	41.9	60.9
(Loss)/Surplus on disposal of aircraft, spares and spare engines	(5.7)	5.0	(5.8)	16.1
Dividends from long-term investments	2.3	-	3.1	6.2
Other non-operating items	(48.7)	7.6	(47.4)	19.3
Share of profits of joint venture companies	25.9	10.2	23.2	41.0
Share of profits/(losses) of associated companies	6.8	11.4	(97.4)	(9.3)
<b>PROFIT BEFORE TAXATION</b>	<u>214.0</u>	<u>356.1</u>	<u>868.6</u>	<u>1,593.2</u>
<b>TAXATION</b>	0.1	(63.2)	(147.0)	(247.7)
<b>PROFIT FOR THE PERIOD</b>	<u>214.1</u>	<u>292.9</u>	<u>721.6</u>	<u>1,345.5</u>
<b>PROFIT ATTRIBUTABLE TO:</b>				
<b>OWNERS OF THE COMPANY</b>	202.6	281.1	682.7	1,301.6
<b>NON-CONTROLLING INTERESTS</b>	11.5	11.8	38.9	43.9
	<u>214.1</u>	<u>292.9</u>	<u>721.6</u>	<u>1,345.5</u>
<b>BASIC EARNINGS PER SHARE (CENTS)</b>	17.1	23.8	57.7	110.1
<b>DILUTED EARNINGS PER SHARE (CENTS)</b>	17.0	23.7	57.4	109.7

**Notes:**

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

	The Group		The Group	
	4th Quarter 2018/19	4th Quarter 2017/18	2018/19	2017/18
Compensation for changes in aircraft delivery slots	(1.2)	(19.3)	(5.0)	(101.5)
Interest income from short-term investments	(0.3)	(0.2)	(1.0)	(1.0)
Dividend income from short-term investments	-	(0.1)	(0.1)	(0.8)
Income from operating lease of aircraft	(15.2)	(13.3)	(61.0)	(57.2)
Amortisation of deferred loss/(gain) on sale and operating leaseback transactions	1.1	(0.6)	4.3	(3.9)
(Gain)/Loss on disposal of short-term investments	(0.4)	0.1	(1.2)	0.2
Bad debts written off	0.1	0.8	0.1	0.8
Impairment/(Writeback of impairment) of trade debtors	2.1	(1.6)	5.7	1.0
Writedown of inventories	1.5	2.7	5.4	7.4
Exchange loss, net	10.3	3.3	77.6	31.6
Currency hedging (gain)/loss	(7.6)	22.6	(26.6)	62.1
Fuel hedging gain recognised in "Fuel costs"	(27.5)	(84.1)	(413.3)	(99.2)
Net gain on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	(1.0)	-	(0.7)	(6.3)
(Over)/Under provision of tax in respect of prior years	(26.7)	20.4	(36.2)	(13.8)

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

	The Group		The Group	
	4 <sup>th</sup> Quarter 2018/19	4 <sup>th</sup> Quarter 2017/18	2018/19	2017/18
Impairment of aircraft	-	(7.9)	-	(7.9)
Impairment of long term investments	-	(0.1)	-	(0.1)
Surplus on disposal of a subsidiary company	-	-	0.3	-
Surplus on disposal of other property, plant and equipment	-	0.2	7.9	8.5
(Loss)/Surplus on disposal of an associated company	(0.1)	15.0	(0.1)	15.0
(Provision)/Writeback for onerous aircraft leases	(5.7)	0.7	(9.3)	0.2
Net gain on financial assets mandatorily measured at FVTPL	5.0	0.1	7.3	4.7
(Provision)/Writeback for expected credit losses on investments and guarantees	(0.9)	0.3	-	1.1
(Loss)/Surplus on dilution of interest in an associated company	(0.6)	0.9	(0.6)	0.9
Competition-related settlements	(0.3)	-	(6.8)	-
Refleeting and restructuring costs	(59.8)	(1.6)	(59.8)	(3.1)
Provision for early lease termination	(7.0)	-	(7.0)	-
Writeback of provision for return cost in relation to a formerly owned associated company	20.7	-	20.7	-
	<u>(48.7)</u>	<u>7.6</u>	<u>(47.4)</u>	<u>19.3</u>

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (in \$ million)**

	The Group		The Group	
	4 <sup>th</sup> Quarter 2018/19	4 <sup>th</sup> Quarter 2017/18	2018/19	2017/18
<b>PROFIT FOR THE PERIOD</b>	214.1	292.9	721.6	1,345.5
<b>OTHER COMPREHENSIVE INCOME:</b>				
<u>Items that are or may be reclassified subsequently to profit or loss:</u>				
Currency translation differences	(4.4)	(24.6)	20.3	(62.5)
Net fair value changes on cash flow hedges	802.6	12.4	158.2	533.5
Share of other comprehensive income of associated and joint venture companies	25.8	34.1	12.0	27.1
Realisation of foreign currency translation reserves on disposal of a subsidiary company	-	(0.2)	(0.1)	(0.2)
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Actuarial (loss)/gain on revaluation of defined benefit plans	(5.5)	10.2	(5.5)	10.2
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>818.5</b>	<b>31.9</b>	<b>184.9</b>	<b>508.1</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1,032.6</b>	<b>324.8</b>	<b>906.5</b>	<b>1,853.6</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
<b>OWNERS OF THE COMPANY</b>	1,022.5	316.0	863.4	1,819.2
<b>NON-CONTROLLING INTERESTS</b>	10.1	8.8	43.1	34.4
	<b>1,032.6</b>	<b>324.8</b>	<b>906.5</b>	<b>1,853.6</b>

**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 31 MARCH 2019 (in \$ million)**

	The Group			The Company		
	31-Mar 2019	31-Mar 2018	01-Apr 2017	31-Mar 2019	31-Mar 2018	01-Apr 2017
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>						
Share capital	1,856.1	1,856.1	1,856.1	1,856.1	1,856.1	1,856.1
Treasury shares	(171.5)	(183.5)	(194.7)	(171.5)	(183.5)	(194.7)
Other reserves	11,602.2	11,187.7	9,622.7	10,088.8	10,558.6	9,288.3
	13,286.8	12,860.3	11,284.1	11,773.4	12,231.2	10,949.7
<b>NON-CONTROLLING INTERESTS</b>	396.4	368.1	387.2	-	-	-
<b>TOTAL EQUITY</b>	13,683.2	13,228.4	11,671.3	11,773.4	12,231.2	10,949.7
<b>DEFERRED ACCOUNT</b>	83.9	123.3	234.5	75.1	109.2	214.9
<b>DEFERRED TAXATION</b>	2,040.3	1,840.6	1,524.9	1,750.2	1,489.5	1,218.2
<b>LONG-TERM LIABILITIES</b>	6,512.4	3,199.8	1,794.7	6,058.6	3,114.4	1,689.4
<b>PROVISIONS</b>	702.5	821.5	910.3	429.8	576.7	648.0
<b>DEFINED BENEFIT PLANS</b>	104.5	113.2	131.2	103.9	104.8	122.3
	23,126.8	19,326.8	16,266.9	20,191.0	17,625.8	14,842.5
Represented by:-						
<b>PROPERTY, PLANT AND EQUIPMENT</b>	22,176.3	18,169.2	14,286.4	17,311.5	13,682.3	10,498.4
<b>INTANGIBLE ASSETS</b>	451.3	435.3	423.5	194.1	179.8	169.5
<b>SUBSIDIARY COMPANIES</b>	-	-	-	3,591.2	4,840.8	4,610.1
<b>ASSOCIATED COMPANIES</b>	1,104.5	1,048.8	1,056.9	555.2	551.5	489.8
<b>JOINT VENTURE COMPANIES</b>	171.7	150.6	160.2	30.6	-	-
<b>LONG-TERM INVESTMENTS</b>	343.9	346.0	405.7	333.5	335.6	395.3
<b>OTHER LONG-TERM ASSETS</b>	713.7	722.7	479.3	543.7	624.6	397.9
<b>DEFERRED ACCOUNT</b>	44.1	52.9	61.1	37.0	43.5	49.1
<b>CURRENT ASSETS</b>						
Deferred account	8.9	9.9	11.8	6.6	7.3	9.1
Derivative assets	371.4	351.4	85.0	371.4	351.2	82.1
Inventories	229.9	179.3	178.4	157.6	108.0	106.1
Trade debtors	1,527.2	1,400.9	1,143.3	1,138.8	836.7	694.7
Amounts owing by subsidiary companies	-	-	-	3.7	140.1	203.8
Deposits and other debtors	93.8	87.8	127.4	63.7	40.7	55.8
Prepayments	164.9	184.6	211.0	98.2	125.1	169.9
Other short-term assets	42.8	27.0	21.4	42.8	27.0	21.4
Investments	116.8	157.8	539.9	68.5	88.7	469.9
Cash and bank balances	2,944.0	2,568.3	3,380.5	2,716.0	2,144.6	2,733.2
	5,499.7	4,967.0	5,698.7	4,667.3	3,869.4	4,546.0
Less: <b>CURRENT LIABILITIES</b>						
Borrowings	231.1	20.6	42.0	159.8	-	-
Current tax payable	87.3	134.1	80.3	55.0	42.4	30.3
Trade and other creditors	3,163.6	2,817.0	3,295.9	2,304.2	1,858.9	2,251.9
Amounts owing to subsidiary companies	-	-	-	971.8	1,290.4	1,354.5
Sales in advance of carriage	2,715.4	2,442.1	1,650.8	2,479.8	2,205.9	1,474.3
Deferred revenue	610.9	556.1	707.8	610.9	556.1	707.8
Deferred account	44.9	64.8	86.0	37.9	60.3	76.3
Derivative liabilities	89.5	161.9	119.7	88.1	161.9	119.7
Provisions	435.7	369.1	322.4	365.6	325.8	298.8
	7,378.4	6,565.7	6,304.9	7,073.1	6,501.7	6,313.6
<b>NET CURRENT LIABILITIES</b>	(1,878.7)	(1,598.7)	(606.2)	(2,405.8)	(2,632.3)	(1,767.6)
	23,126.8	19,326.8	16,266.9	20,191.0	17,625.8	14,842.5

**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 2019		As at 31 March 2018	
Secured	Unsecured	Secured	Unsecured
\$223.0M	\$8.1M	\$14.7M	\$5.9M

Amount repayable after one year

As at 31 March 2019		As at 31 March 2018	
Secured	Unsecured	Secured	Unsecured
\$2,033.7M	\$4,389.6M	\$59.3M	\$3,047.4M

Details of any collateral

The secured borrowings pertained to secured bank loans (\$2,256.7 million). The secured bank loans are secured via assignment of certain aircraft purchase agreements, assignment of engine warranty and credit agreement as well as mortgage of these 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 FINANCIAL YEAR ENDED 31 MARCH 2019 (in \$ million)**

	The Group	
	2018/19	2017/18
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	868.6	1,593.2
Adjustments for:		
Depreciation	1,327.9	1,148.1
Impairment of property, plant and equipment	-	30.2
Amortisation of intangible assets	61.9	44.4
Impairment of trade debtors	5.7	1.0
Writedown of inventories	5.4	7.4
Income from short-term investments	(1.1)	(1.8)
Provisions	302.2	282.9
Share-based compensation expense	21.0	13.1
Exchange differences	(2.4)	25.9
Amortisation of deferred loss/(gain) on sale and operating leaseback transactions	4.3	(3.9)
Finance charges	116.1	89.8
Interest income	(41.9)	(60.9)
Loss/(Surplus) on disposal of aircraft, spares and spare engines	5.8	(16.1)
Dividends from long-term investments	(3.1)	(6.2)
Net gain on financial assets mandatorily measured at FVTPL	(0.7)	(6.3)
Other non-operating items	47.4	(19.3)
Share of profits of joint venture companies	(23.2)	(41.0)
Share of losses of associated companies	97.4	9.3
Operating cash flow before working capital changes	2,791.3	3,089.8
Decrease in trade and other creditors	(28.1)	(756.1)
Increase in sales in advance of carriage	273.3	791.3
Increase in trade debtors	(206.1)	(283.8)
(Increase)/Decrease in deposits and other debtors	(10.9)	38.0
Decrease in prepayments	19.7	26.4
Increase in inventories	(66.6)	(8.3)
Increase/(Decrease) in deferred revenue	54.8	(151.7)
Cash generated from operations	2,827.4	2,745.6
Payment of fines and settlements	-	(139.0)
Income taxes (paid)/refunded	(26.3)	4.3
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>2,801.1</b>	<b>2,610.9</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (in \$ million)**

	The Group	
	2018/19	2017/18
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(5,562.3)	(5,209.5)
Purchase of intangible assets	(105.4)	(59.8)
Proceeds from disposal of aircraft and other property, plant and equipment	180.2	108.3
Purchase of long-term investments	(5.0)	-
Proceeds from disposal of long-term investments	157.6	31.4
Purchase of short-term investments	(798.8)	(688.1)
Proceeds from disposal of short-term investments	850.6	1,126.6
Dividends received from associated and joint venture companies	108.2	104.6
Dividends received from investments	5.2	9.0
Interest received from investments and deposits	47.8	65.6
Proceeds from disposal of a subsidiary company, net of cash disposed	1.6	-
Investments in associated companies	(205.6)	(93.8)
Investments in joint venture companies	(40.5)	-
Proceeds from capital reduction of an associated company	-	3.3
Proceeds from disposal of associated companies	4.0	21.1
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5,362.4)</b>	<b>(4,581.3)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	(449.8)	(248.3)
Dividends paid by subsidiary companies to non-controlling interests	(34.4)	(50.1)
Acquisition of non-controlling interests without a change in control	(4.7)	-
Issuance of share capital by subsidiary companies	19.5	-
Interest paid	(124.5)	(75.7)
Proceeds from issuance of bonds	1,350.0	1,600.0
Proceeds from borrowings	2,280.4	5.0
Repayment of borrowings	(93.7)	(20.3)
Repayment of long-term lease liabilities	-	(23.7)
Proceeds from exercise of share options	-	1.0
Payment of transaction costs related to borrowings	(11.1)	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>2,931.7</b>	<b>1,187.9</b>
<b>NET CASH INFLOW/(OUTFLOW)</b>	<b>370.4</b>	<b>(782.5)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>2,568.3</b>	<b>3,380.5</b>
Effect of exchange rate changes	5.3	(29.7)
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>2,944.0</b>	<b>2,568.3</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Fixed deposits	1,623.0	1,809.1
Cash and bank balances	1,321.0	759.2
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>2,944.0</b>	<b>2,568.3</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 FINANCIAL YEAR ENDED 31 MARCH 2019 (in \$ million)**

The Group	Attributable to Owners of the Company								Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total		
Balance at 1 April 2018	1,856.1	(183.5)	(139.4)	(52.4)	79.5	313.5	10,986.5	12,860.3	368.1	13,228.4
<u>Comprehensive income</u>										
Currency translation differences	-	-	-	13.9	-	-	-	13.9	6.4	20.3
Net fair value changes on cash flow hedges	-	-	-	-	-	159.0	-	159.0	(0.8)	158.2
Actuarial loss on revaluation of defined benefit plans	-	-	-	-	-	-	(5.5)	(5.5)	-	(5.5)
Share of other comprehensive income of associated and joint venture companies	-	-	20.8	5.4	-	(12.8)	-	13.4	(1.4)	12.0
Realisation of foreign currency translation reserves on disposal of a subsidiary company	-	-	-	(0.1)	-	-	-	(0.1)	-	(0.1)
Other comprehensive income for the financial year, net of tax	-	-	20.8	19.2	-	146.2	(5.5)	180.7	4.2	184.9
Profit for the financial year	-	-	-	-	-	-	682.7	682.7	38.9	721.6
Total comprehensive income for the financial year	-	-	20.8	19.2	-	146.2	677.2	863.4	43.1	906.5
<u>Transactions with owners, recorded directly in equity</u>										
<u>Contributions by and distributions to owners</u>										
Share of other changes in equity of associated companies	-	-	(3.2)	-	-	-	-	(3.2)	-	(3.2)
Changes in ownership interest without loss of control	-	-	-	-	(2.8)	-	(0.5)	(3.3)	3.2	(0.1)
Share-based compensation expense	-	-	-	-	21.0	-	-	21.0	-	21.0
Share options and awards lapsed	-	-	-	-	(61.7)	-	61.7	-	-	-
Treasury shares reissued pursuant to equity compensation plans	-	12.0	(0.9)	-	(11.1)	-	-	-	-	-
Issuance of share capital by subsidiary companies	-	-	-	-	-	-	-	-	19.5	19.5
Dividends	-	-	-	-	-	-	(449.8)	(449.8)	(34.4)	(484.2)
Total contributions by and distributions to owners	-	12.0	(4.1)	-	(54.6)	-	(388.6)	(435.3)	(11.7)	(447.0)
<u>Changes in ownership interests in a subsidiary company</u>										
Acquisition of non-controlling interests without a change in control	-	-	(1.6)	-	-	-	-	(1.6)	(3.1)	(4.7)
Total changes in ownership interests in a subsidiary company	-	-	(1.6)	-	-	-	-	(1.6)	(3.1)	(4.7)
Total transactions with owners	-	12.0	(5.7)	-	(54.6)	-	(388.6)	(436.9)	(14.8)	(451.7)
Balance at 31 March 2019	1,856.1	(171.5)	(124.3)	(33.2)	24.9	459.7	11,275.1	13,286.8	396.4	13,683.2



**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 March 2018 (in \$ million)**

The Group	Attributable to Owners of the Company									
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Non-controlling interests	Total equity
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
Effects of changes in accounting standards	-	-	-	123.7	-	-	(1,922.6)	(1,798.9)	-	(1,798.9)
As restated	1,856.1	(194.7)	(147.6)	-	88.5	(234.4)	9,916.2	11,284.1	387.2	11,671.3
<b>Comprehensive income</b>										
Currency translation differences	-	-	-	(52.6)	-	-	-	(52.6)	(9.9)	(62.5)
Net fair value changes on cash flow hedges	-	-	-	-	-	533.1	-	533.1	0.4	533.5
Actuarial gain on revaluation of defined benefit plans	-	-	-	-	-	-	10.2	10.2	-	10.2
Realisation of reserves on disposal of an associated company	-	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Share of other comprehensive income of associated and joint venture companies	-	-	11.9	0.4	-	14.8	-	27.1	-	27.1
Other comprehensive income for the financial year, net of tax	-	-	11.9	(52.4)	-	547.9	10.2	517.6	(9.5)	508.1
Profit for the financial year	-	-	-	-	-	-	1,301.6	1,301.6	43.9	1,345.5
Total comprehensive income for the financial year	-	-	11.9	(52.4)	-	547.9	1,311.8	1,819.2	34.4	1,853.6
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Changes in ownership interest without loss of control	-	-	-	-	(1.1)	-	(2.0)	(3.1)	(3.4)	(6.5)
Share of other changes in equity of associated companies	-	-	(4.7)	-	-	-	-	(4.7)	-	(4.7)
Share-based compensation expense	-	-	-	-	13.1	-	-	13.1	-	13.1
Share options and awards lapsed	-	-	-	-	(8.8)	-	8.8	-	-	-
Treasury shares reissued pursuant to equity compensation plans	-	11.2	1.0	-	(12.2)	-	-	-	-	-
Dividends	-	-	-	-	-	-	(248.3)	(248.3)	(50.1)	(298.4)
Total transactions with owners	-	11.2	(3.7)	-	(9.0)	-	(241.5)	(243.0)	(53.5)	(296.5)
Balance at 31 March 2018	1,856.1	(183.5)	(139.4)	(52.4)	79.5	313.5	10,986.5	12,860.3	368.1	13,228.4

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2018	1,856.1	(183.5)	26.7	74.6	206.7	10,250.6	12,231.2
Effects of integration of SIA Cargo	-	-	(955.6)	-	18.0	(2.8)	(940.4)
<u>Comprehensive income</u>							
Net fair value changes on cash flow hedges	-	-	-	-	141.7	-	141.7
Actuarial loss on revaluation of defined benefit plans	-	-	-	-	-	(5.5)	(5.5)
Other comprehensive income for the financial year, net of tax	-	-	-	-	141.7	(5.5)	136.2
Profit for the financial year	-	-	-	-	-	779.1	779.1
Total comprehensive income for the financial year	-	-	-	-	141.7	773.6	915.3
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Share-based compensation expense	-	-	-	17.1	-	-	17.1
Share options and awards lapsed	-	-	-	(59.4)	-	59.4	-
Treasury shares reissued pursuant to equity compensation plans	-	12.0	(0.9)	(11.1)	-	-	-
Dividends	-	-	-	-	-	(449.8)	(449.8)
Total transactions with owners	-	12.0	(0.9)	(53.4)	-	(390.4)	(432.7)
Balance at 31 March 2019	1,856.1	(171.5)	(929.8)	21.2	366.4	10,631.0	11,773.4

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 (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
Effects of changes in accounting standards	-	-	-	-	-	(1,563.9)	(1,563.9)
As restated	1,856.1	(194.7)	25.7	76.7	(189.6)	9,375.5	10,949.7
<u>Comprehensive income</u>							
Net fair value changes on cash flow hedges	-	-	-	-	396.3	-	396.3
Actuarial gain on revaluation of defined benefit plans	-	-	-	-	-	9.9	9.9
Other comprehensive income for the financial year, net of tax	-	-	-	-	396.3	9.9	406.2
Profit for the financial year	-	-	-	-	-	1,112.4	1,112.4
Total comprehensive income for the financial year	-	-	-	-	396.3	1,122.3	1,518.6
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Share-based compensation expense	-	-	-	11.2	-	-	11.2
Share options and awards lapsed	-	-	-	(1.1)	-	1.1	-
Treasury shares reissued pursuant to equity compensation plans	-	11.2	1.0	(12.2)	-	-	-
Dividends	-	-	-	-	-	(248.3)	(248.3)
Total transactions with owners	-	11.2	1.0	(2.1)	-	(247.2)	(237.1)
Balance at 31 March 2018	1,856.1	(183.5)	26.7	74.6	206.7	10,250.6	12,231.2

**1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State 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

Group and Company	Number of Shares	Share Capital (\$ million)
Issued and fully paid share capital		
<u>Ordinary Shares</u>		
Balance at 1 April 2018 and 31 March 2019	1,199,851,018	1,856.1

As at 31 March 2019, the number of ordinary shares in issue was 1,199,851,018 of which 16,185,885 were held by the Company as treasury shares (31 March 2018: 1,199,851,018 ordinary shares of which 17,318,177 were held as treasury shares). The share capital was \$1,856.1 million. The treasury shares held represents 1.4% (31 March 2018: 1.5%) of the total number of issued shares (excluding treasury shares).

There is no subsidiary holdings of the Company as at 31 March 2019 and 31 March 2018.

### Employee Share Option Plan

As at 31 March 2019, there were no share options of the Company outstanding (31 March 2018: 7,720,804). During the financial year, no options (31 March 2018: Nil) were exercised and 7,720,804 (31 March 2017: 9,002,746) share options were lapsed 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.

### 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 31 March 2019, the number of outstanding shares granted under the Company's RSP and PSP were 2,070,455 (31 March 2018: 1,845,468) and 744,322 respectively (31 March 2018: 698,026).

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

Date of Grant	Number of Restricted Shares				Balance at 31.03.2019
	Balance at 01.04.2018	Granted	Adjustments #	Vested	
<b><u>RSP</u></b>					
03.07.2014	184,773	-	-	(184,773)	-
03.07.2015	363,650	-	-	(190,317)	173,333
18.07.2016	513,539	-	-	(267,308)	246,231
19.07.2017	783,506	-	376,814	(408,694)	751,626
19.07.2018	-	899,265	-	-	899,265
	1,845,468	899,265	376,814	(1,051,092)	2,070,455

Date of Grant	Number of Performance Shares				Balance at 31.03.2019
	Balance at 01.04.2018	Granted	Adjustments #	Vested	
<b><u>PSP</u></b>					
03.07.2015	239,700	-	(239,700)	-	-
18.07.2016	240,900	-	-	-	240,900
19.07.2017	217,426	-	-	-	217,426
19.07.2018	-	285,996	-	-	285,996
	698,026	285,996	(239,700)	-	744,322

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 31.03.2019
	Balance at 01.04.2018	Granted	Adjustments ^	Vested	
<b><u>DSA</u></b>					
10.09.2015	74,790	-	6,410	(81,200)	-
01.09.2016	65,740	-	-	-	65,740
06.09.2017	94,070	-	-	-	94,070
11.09.2018	-	119,090	-	-	119,090
	234,600	119,090	6,410	(81,200)	278,900

Transformation Share Award ("TSA")

Grants of TSA of fully paid ordinary shares are granted to senior management. At the end of the one-year performance period, a final award will be determined based on the initial award multiplied by an achievement factor (ranging from 0% to 200%). The final award will vest over three years, on the final date, an additional equity kicker equivalent to 20% of final awards will be settled with the participant. The details of the TSA are as follows:

Date of Grant	Number of Transformation Share Award			
	Balance at 01.04.2018	Granted	Vested	Balance at 31.03.2019
<b><u>TSA</u></b>				
19.07.2018	-	374,469	-	374,469

# Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

^ Adjustment at the end of performance period for Accumulated Dividend Yield.

**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 31 March 2019, the number of ordinary shares in issue was 1,199,851,018 of which 16,185,885 were held by the Company as treasury shares (31 March 2018: 1,199,851,018 ordinary shares of which 17,318,177 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 financial year, the Company did not purchase any treasury shares (2018/19: Nil).

The Company transferred 1,132,292 treasury shares to employees on vesting of share-based incentive plans (2017/18: 1,058,825). 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 2018	17,318,177	(183.5)
Treasury shares transferred on vesting of share-based incentive plans	(1,132,292)	12.0
Balance at 31 March 2019	16,185,885	(171.5)

**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.**

There is no subsidiary holdings of the Company as at 31 March 2019 and 31 March 2018. There were no sales, transfers, cancellations and/or use of subsidiary holdings for the financial year ended 31 March 2019.

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

The financial statements 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.**

As required by the listing rules of the Singapore Exchange, the Group has applied Singapore Financial Reporting Standards (International) ("SFRS(I)") with effect from 1 April 2018. The Group's financial statements for the financial year ending 31 March 2019 will be prepared in accordance with SFRS(I), and International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 March 2018, except the adoption of new/revised IFRS applicable for the financial period beginning 1 April 2018 as follows:

- IFRS 1 First-time Adoption of International Financial Reporting Standards
- IFRS 15 Revenue from Contracts with Customers

(i) Application of IFRS 1 optional exemptions

IFRS 1 requires that the Group applies IFRS on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective 1 April 2018, restatement of comparatives may be required because IFRS 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies. IFRS 1 provides mandatory exceptions and optional exemptions from retrospective application, which are often different from those specific transition provisions in individual FRSs applied to the FRS financial statements. The Group has elected various optional exemptions in IFRS 1, including those set out below which impact the financial statements:

a) Fair value as deemed cost exemption for property, plant and equipment

The Group has elected to regard the fair values of certain aircraft and aircraft spares as their deemed cost at the date of transition to IFRS 1 on 1 April 2017.

b) Foreign currency translation reserve

The Group has elected to reset the foreign currency translation reserve for all foreign operations to zero as at the date of transition to IFRS 1 on 1 April 2017.

c) Fair value as deemed cost exemption for investments in associated companies

The Company has elected to regard the fair value of its investment in Virgin Australia Holdings Limited, an associated company, as its deemed cost in its separate financial statements at the date of transition to IFRS 1 on 1 April 2017.

(ii) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group adopted IFRS 15 using the retrospective approach with practical expedients.

The impact on adoption of IFRS 15 is that recognition of revenue associated with ancillary services has been deferred from transaction date to flight date. This is in line with recognition of revenue associated with the carriage of passengers.

(iii) Impact on the comparatives for the financial statements of these reporting periods on adoption of IFRS 1 and IFRS 15

Consolidated Profit and Loss Account (in \$ million)

	4 <sup>th</sup> Quarter 2017/18	2017/18
Decrease in depreciation	118.9	491.5
Increase in surplus on disposal of an associated company	0.7	0.7
Increase in taxation	(20.3)	(83.5)
Increase in profit attributable to owners of the company	99.3	408.7
Increase in basic earnings per share (cents)	8.4	34.6
Increase in diluted earnings per share (cents)	8.4	34.4

Statements of Financial Position (in \$ million)

	The Group		The Company	
	31-Mar 2018	1-Apr 2017	31-Mar 2018	1-Apr 2017
Increase in foreign currency translation reserve	123.0	123.7	-	-
Decrease in general reserve	(1,513.9)	(1,922.6)	(1,240.8)	(1,563.9)
Decrease in deferred taxation	(282.1)	(365.6)	(197.7)	(263.9)
Decrease in property, plant and equipment	(1,655.4)	(2,146.9)	(1,163.1)	(1,552.4)
Decrease in associated companies	-	-	(267.0)	(267.0)
Decrease in trade debtors	(1.3)	(1.3)	-	-
Decrease in trade and other creditors	(0.2)	(0.2)	-	-
Increase in sales in advance of carriage	16.5	16.5	8.4	8.4

**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.**

Please refer to Item 4.

**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			
	4 <sup>th</sup> Quarter 2018/19	4 <sup>th</sup> Quarter 2017/18	2018/19	2017/18
Earnings per share (cents)				
- Basic	17.1	23.8	57.7	110.1
- Diluted	17.0	23.7	57.4	109.7

**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 19	As at 31 Mar 18	As at 31 Mar 19	As at 31 Mar 18
Net asset value per ordinary share (\$)	11.22	10.88	9.95	10.34

**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 2018/19

The SIA Group today reported a solid operating profit of \$1,067 million for the 2018/19 financial year<sup>1</sup> amid a challenging market environment, with Transformation initiatives contributing to a record revenue performance.

Although a decline from last year's operating profit of \$1,549 million<sup>2</sup> (\$482 million lower or -31.1%), the Group's underlying performance was strong against the backdrop of a \$1 billion increase (+25.1%) in fuel cost due largely to a 21.6% increase in fuel prices, and the absence of one-off revenue items recorded last year (-\$243 million)<sup>3</sup>.

Flown revenue growth was up \$829 million, with passenger flown revenue improving \$784 million (+6.4%), lifted by traffic growth of 8.5%, on a 6.4% increase in capacity. Notwithstanding the significant expansion in capacity, a new revenue management system and revamped pricing and sales processes helped enable RASK (measured in revenue per available seat-kilometre) to hold steady against last year. Passenger load factor rose 1.6 percentage points to 83.0%, a record for the Group. Cargo flown revenue for the year improved \$45 million (+2.1%), as cargo yield growth (+5.7%) was more than sufficient to offset lower loads carried (-3.5%) in a softening trade environment.

Expenditure for the Group rose \$999 million (+7.0%) to \$15.3 billion, with higher net fuel cost (+\$688 million or 17.6%) contributing two thirds of the increase. Fuel cost before hedging for the Group rose by \$1,002 million, predominantly due to a US\$16 per barrel (+21.6%) increase in average jet fuel price. The higher fuel price was partially alleviated by a larger hedging gain compared with last year (+\$314 million).

Group non-fuel expenditure rose \$311 million, driven by airline operations. Non-fuel costs of the airline businesses rose \$327 million (+3.4%), contained within the overall rate of expansion of the airline operations (+4.1%). Cost savings were achieved from numerous initiatives under the Transformation programme. Consequently, non-fuel unit costs declined 0.8%.

Group net profit for the financial year was \$683 million, \$619 million or 47.5% lower year-on-year. The reduction was primarily due to the lower operating profit (-\$482 million), in addition to higher non-operating costs. Net finance charges increased \$45 million, as the Group raised more borrowings during the year for aircraft purchases. The Group had also recognised its share of losses (\$116 million) arising from Virgin Australia's non-cash accounting adjustments in prior quarters. There was also a \$60 million charge in relation to SilkAir's re-fleeting costs for its transition from an Airbus to Boeing fleet, and restructuring costs incurred in preparation for the carrier's integration into SIA.

<sup>1</sup>The SIA Group's audited financial results for financial year ended 31 March 2019 were announced on 16 May 2019. A summary of the financial and operating statistics is shown in Annex A. (All monetary figures are in Singapore Dollars. The Company refers to Singapore Airlines, the Parent Airline Company. The Group comprises the Company and its subsidiary, joint venture and associated companies.)

<sup>2</sup> As required by the Singapore Exchange listing rules, the Group has adopted International Financial Reporting Standards ("IFRS") with effect from 1 April 2018. This has resulted in a reduction in book values for aircraft and aircraft spares. Prior year comparatives have been restated as required by the transition requirements. The consequential reduction in depreciation expense for the financial year 2017/18 was \$492 million. For comparison, the IFRS impact for the financial year 2018/19 was \$426 million.

<sup>3</sup> Non-recurring revenue items pertained to changes in estimated breakage rates and member benefits for the KrisFlyer programme (\$178 million), and compensation for changes in aircraft delivery slots (\$65 million).



A summary of the effects of one-off items and SilkAir-related costs in the current and prior financial year on the Group's net profit is as follows:

	FY2018/19 \$ million	FY2017/18 \$ million
Reported Net Profit	683	1,302
<i>Exclude Non-recurring and Other Items:</i>		
<i>Changes to KrisFlyer Breakage Rates and Member Benefits</i>	-	(178)
<i>Compensation for Changes in Aircraft Slots</i>	-	(65)
<i>Share of VAH's Accounting Adjustments</i>	116	-
<i>SilkAir Re-fleeting and Restructuring Costs</i>	60	-
<i>Tax Impact</i>	-	41
Adjusted Net Profit	859	1,100

#### Financial Year 2018/19 Operating Results of Main Companies

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

	FY2018/19 \$ million	FY2017/18 \$ million
Operating Profit/(Loss)		
Parent Airline Company <sup>4</sup>	991	1,338
SilkAir	15	44
Scoot	(15)	78
SIA Engineering	57	79

Operating profit for the Parent Airline Company declined \$347 million to \$991 million, as flown revenue growth (\$613 million) was offset by the absence of non-recurring incidental revenue (\$243 million) and higher expenditure (\$684 million).

All route regions saw healthy passenger flown revenue growth for the Company (+\$568 million or 5.8%), with Europe, West Asia/Africa and the Americas, in particular, benefitting from strong demand, more agile commercial practices and in the latter's case, the introduction of new non-stop services. Overall, passenger carriage grew 7.0% (measured in revenue passenger-kilometres), while capacity expanded at a slower pace (+4.5%, measured in available seat-kilometres). Hence, passenger load factor for the year increased to 83.1% (+2.0 percentage points), the highest on record. RASK increased 1.2%, or 3.6% on a constant currency basis, marking another year of growth. Cargo flown revenue improved \$45 million (+2.1%) year-on-year, as stronger yields (+5.7%) were partially offset by lower loads carried (-3.5%).

The rise in expenditure (+6.0%) was attributable to higher net fuel cost, which increased \$535 million (+16.6%), primarily from higher fuel prices (+\$737 million) and volume consumed (+\$60 million), partially mitigated by higher fuel hedging gains (+\$253 million). Non-fuel costs increased \$149 million (+1.8%), attributable to an expansion in operations and higher staff strength.

SilkAir reported an operating profit of \$15 million, a \$29 million reduction year-on-year, largely due to an increase in net fuel cost (+\$30 million). Passenger carriage growth was strong (+7.2%) on modest capacity growth of 3.2%. However, competitive pressures and weakness of key revenue currencies led to flown revenue growth of only \$20 million (+2.1%). The higher flown revenue was largely negated by lower non-scheduled services revenue (-\$5 million) and higher non-fuel costs (+\$10 million or 1.2%). RASK contracted by 1.2%, although at constant exchange rates RASK would have been flat against last year.

<sup>4</sup> SIA Cargo is a division within the Parent Airline Company with effect from 1 April 2018. Prior year comparatives have been adjusted to account for its re-integration.

Scoot swung to an operating loss of \$15 million from last year's profit of \$78 million (-\$93 million), as costs of expansion outweighed revenue growth. Performance was substantially affected by the slowdown in the rate of growth of Chinese travel. Growth in passenger traffic (+14.6%) trailed the growth of capacity (+15.1%), while yields also weakened with services mounted by new competitors on several routes. These factors contributed to a 2.0% reduction in RASK. Expenditure rose \$292 million (+19.4%), largely due to a higher net fuel bill (+\$123 million or 27.3%) and expansion costs (+\$169 million or 16.1%). While Scoot's performance has also been affected by an unusual level of operational disruptions, largely relating to 787 engine issues, it has continued to lay the foundations to benefit over the medium and long term from growth in the budget travel segment.

SIA Engineering's operating profit for the year fell to \$57 million, \$22 million (-27.8%) lower year-on-year. Revenue fell \$74 million (-6.8%), largely attributable to lower airframe and fleet management activities. A reduction in expenditure (-\$52 million or 5.1%), primarily from a decline in material and subcontract costs on the lower workload, cushioned the contraction in revenue.

#### Fourth Quarter 2018/19 Operating Results of Main Companies

The Group's operating profit for the fourth quarter declined \$80 million (-24.0%) to \$253 million. Revenue improvement of \$58 million (+1.4%) was offset by higher net fuel cost (+\$81 million or 8.0%) and non-fuel costs on capacity injection. Non-fuel costs increased \$57 million (+2.1%), below the Group's passenger capacity growth of 8.0%.

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

	4 <sup>th</sup> Quarter FY2018/19	4 <sup>th</sup> Quarter FY2017/18
Operating Profit/(Loss)	\$ million	\$ million
Parent Airline Company	204	283
SilkAir	11	3
Scoot	(6)	30
SIA Engineering	19	21

During the quarter, the Parent Airline Company's passenger flown revenue was up \$171 million (+7.0%) on the back of strong growth in carriage, led by North Asia and Americas. The cabin mix continued to improve, with growth in demand for Business and Premium Economy cabins, which helped to mitigate adverse foreign currency movements. The cargo segment, on the other hand, saw a \$34 million contraction (-6.6%) in revenue on lower loads (-6.8%), a reflection of the difficult trade conditions during the quarter. Overall revenue growth was also partially offset by the absence of the prior year's non-recurring incidental revenue (\$68 million) pertaining to KrisFlyer programme breakage rate adjustment and compensation for changes in aircraft delivery slots. Coupled with an increase in costs (+\$123 million or 4.2%) due to fuel (+\$73 million or 8.8%) and growth in operations, operating profit for the Company declined \$79 million to \$204 million.

SilkAir recorded an \$8 million improvement in operating profit, partly on lower costs. Passenger flown revenue improved \$3 million on RASK growth of 1.2% against last year, driven by a 3.7 percentage point improvement in load factor on higher passenger traffic (+4.3%). Expenditure fell, partly due to a reduction in the number of flights operated in the quarter.

Scoot reported an operating loss of \$6 million, a \$36 million deterioration year-on-year. The weaker performance is attributable to an increase in expenditure (+\$49 million or 11.9%) led by capacity injection (+10.9%), which outpaced revenue growth. Passenger flown revenue increased \$20 million (+4.8%) on the back of 8.5% growth in passenger carriage, but RASK fell 5.8%, partly due to a 1.9 percentage point decline in load factor.

Group net profit for the quarter fell \$78 million (-27.8%) to \$203 million, driven by the weaker operating performance (-\$80 million) and an increase in non-operating items mainly due to SilkAir's re-fleeting and restructuring. These were partially alleviated by a reduction in taxes on lower profitability.

## **BALANCE SHEET REVIEW** **(March 2019 vs March 2018)**

Equity attributable to owners of the company increased by \$427 million (3.3%) to \$13,287 million as at 31 March 2019 largely due to net profit for the period (+\$683 million) and the fair value movement on cash flow hedges (+\$159 million), partially offset by dividends paid (-\$450 million).

Total Group assets increased by \$4,613 million (17.8%) to \$30,505 million. The increase was mainly attributable to an increase in property, plant and equipment (+\$4,007 million), cash and bank balances (+376 million) and trade debtors (+\$126 million). The increase in cash balances arose primarily from proceeds from borrowings, net of transaction cost (+\$3,619 million) and cash flows from operations (+\$2,801 million), partially offset by capital expenditure (-\$5,562 million) and payment of dividends (-\$450 million).

Total Group liabilities increased by \$4,158 million (32.8%) to \$16,822 million as at 31 March 2019, primarily arising from the increase in borrowings (+\$3,527 million), trade and other creditors (+\$347 million) and sales in advance of carriage (+\$273 million).

The Group's negative working capital arose largely from the collection of cash in advance of services provided. Excluding the liabilities under "sales in advance of carriage", the Group's working capital would be \$837 million as at 31 March 2019.

### **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**

Growth in forward passenger bookings in the months ahead is tracking positively against capacity injection, with robust premium cabin demand. Most key markets, including those that have seen significant capacity growth such as the US, Japan, Indonesia and New Zealand, continue to grow at a healthy pace. However, China's international traffic growth rates have softened, at a time of increased supply in the market.

Notwithstanding the current demand picture, ongoing trade disputes and slowing economic growth in key markets pose uncertainty to the operating environment. Efforts will be made to capture opportunities and mitigate any arising weaknesses in both cargo and passenger segments.

Fuel cost headwinds may persist on supply risks in the oil market. However, the SIA Group's significant fuel hedges should help to mitigate the effect of higher fuel prices. For the financial year 2019/20, the Group has hedged 64% of its fuel requirement in MOPS and 5% in Brent at weighted average prices of USD76 and USD53 per barrel, respectively. Longer-dated Brent hedges with maturities extending to the financial year 2024/25 cover up to 46% of the Group's projected annual fuel consumption, at average prices ranging from USD58 to USD63 per barrel<sup>5</sup>.

Issues related to the Boeing 737 MAX 8 fleet, which have led to its suspension from service until further notice, as well as issues with Rolls-Royce Trent 1000 TEN engines powering Boeing 787s, has affected the Group's passenger capacity growth, which now is expected to be 6% in the year ahead. The Group wishes to assure customers that the safety of its passengers and crew is of utmost importance, and only aircraft and engines that have been certified fit to fly will be returned to service.

<sup>5</sup> Hedge profile as at 2 May 2019.

SIA's Transformation programme continues to progress well, resulting in revenue growth, and improvements to operational efficiency and organisational structure. The Airline's digital transformation is also making good progress, with significant investments in support of an ambition to be the world's leading digital airline. At the same time, new industry-leading products and services continue to be rolled out on more routes, as new fuel-efficient aircraft enter the fleet. With these and other initiatives, the Group is well positioned to navigate through ongoing challenges in the operating environment.

### **INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 16 – LEASES**

The SIA Group is required to adopt a new leasing standard, IFRS 16 Leases, with effect from 1 April 2019, which replaces the existing International Accounting Standard 17. Under IFRS 16, the Group is required to recognise right-of-use assets and lease liabilities arising from the capitalisation of the present value of future lease payments for all leases. The main changes to the Group's balance sheet for the fiscal year beginning 1 April 2019 are as follows:

- Inclusion of right-of-use assets; and
- Recognition of interest-bearing lease liabilities

The estimated impact on the Group's balance sheet upon the adoption of the standard is set out below:

As at 1 April 2019	Increase/(Decrease)	
	Assets	Liabilities and Equity
	\$ million	\$ million
Right-of-use Assets	1,712	-
Lease Liabilities	-	2,192
General Reserve	-	(446)
Others	(31)	(65)
Total	1,681	1,681

As a result of the recognition of right-of-use assets and lease liabilities on the balance sheet, the Group's cost of leasing will be represented by an increase in depreciation expense and finance charges, which will replace the lease rental expense recognised hitherto. The estimated impact on existing leases due to this standard is an increase in the Group's net profit after tax for the next three financial years, as follows:

FY2019/20	\$42 million
FY2020/21	\$68 million
FY2021/22	\$56 million

## 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	8 cents per ordinary share	22 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)	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	Final
Dividend Type	Cash	Cash
Dividend Amount per Share	10 cents per ordinary share	30 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)	Tax-exempt (one-tier)

### (c) Date payable

The final dividend, if so approved by the shareholders, will be paid on 16 August 2019.

### (d) Books closure date

NOTICE IS HEREBY GIVEN that, subject to the approval of shareholders to the final dividend being obtained at the Forty-Seventh Annual General Meeting to be held on 29 July 2019, the Transfer Books and the Register of Members of the Company will be closed on 5 August 2019 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, 112 Robinson Road, #05-01, Singapore 068902 up to 5.00 p.m. on 2 August 2019 will be registered to determine shareholders' entitlements to the final dividend. Subject as aforesaid, shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 2 August 2019 will be entitled to the final dividend.

The final dividend, if so approved by shareholders, will be paid on 16 August 2019.

## 12 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

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)**

	Singapore Airlines 2018/19	SilkAir 2018/19	Budget Aviation 2018/19	SIAEC 2018/19	Others 2018/19	Total of segments 2018/19	Elimination* 2018/19	Consolidated 2018/19
<b>TOTAL REVENUE</b>								
External revenue	13,054.2	1,011.1	1,710.8	485.7	61.4	16,323.2	-	16,323.2
Inter-segment revenue	90.0	19.8	69.3	535.2	90.7	805.0	(805.0)	-
	<u>13,144.2</u>	<u>1,030.9</u>	<u>1,780.1</u>	<u>1,020.9</u>	<u>152.1</u>	<u>17,128.2</u>	<u>(805.0)</u>	<u>16,323.2</u>
<b>RESULTS</b>								
Segment result	990.5	15.2	(15.4)	56.8	12.7	1,059.8	7.3	1,067.1
Finance charges	(114.0)	(1.0)	(59.2)	(0.9)	-	(175.1)	59.0	(116.1)
Interest income	74.6	1.0	-	8.0	1.3	84.9	(43.0)	41.9
Surplus/(Loss) on disposal of aircraft, spares and spare engines	4.1	(9.6)	(0.3)	-	-	(5.8)	-	(5.8)
Dividends from long-term investments	3.1	-	-	-	-	3.1	-	3.1
Other non-operating items	6.7	(59.8)	4.4	1.3	-	(47.4)	-	(47.4)
Share of profits/(losses) of joint venture companies	1.0	-	(18.2)	40.4	-	23.2	-	23.2
Share of (losses)/profits of associated companies	(170.7)	-	(0.2)	73.5	-	(97.4)	-	(97.4)
Taxation	(159.7)	1.9	29.7	(18.1)	(0.8)	(147.0)	-	(147.0)
Profit/(Loss) for the financial year	<u>635.6</u>	<u>(52.3)</u>	<u>(59.2)</u>	<u>161.0</u>	<u>13.2</u>	<u>698.3</u>	<u>23.3</u>	<u>721.6</u>
Attributable to:								
Owners of the Company								682.7
Non-controlling interests								<u>38.9</u>
								<u>721.6</u>

\* Relates to inter-segment transactions eliminated on consolidation.

	Singapore Airlines 2017/18	SilkAir 2017/18	Budget Aviation 2017/18	SIAEC 2017/18	Others 2017/18	Total of segments 2017/18	Elimination* 2017/18	Consolidated 2017/18
<b>TOTAL REVENUE</b>								
External revenue	12,760.6	998.9	1,533.8	480.9	31.9	15,806.1	-	15,806.1
Inter-segment revenue	46.9	21.4	47.3	614.0	84.5	814.1	(814.1)	-
	<u>12,807.5</u>	<u>1,020.3</u>	<u>1,581.1</u>	<u>1,094.9</u>	<u>116.4</u>	<u>16,620.2</u>	<u>(814.1)</u>	<u>15,806.1</u>
<b>RESULTS</b>								
Segment result	1,338.1	43.9	77.7	78.8	21.1	1,559.6	(10.8)	1,548.8
Finance charges	(94.8)	-	(31.8)	(0.8)	-	(127.4)	37.6	(89.8)
Interest income	89.1	2.5	1.3	4.9	0.5	98.3	(37.4)	60.9
Surplus on disposal of aircraft, spares and spare engines	15.4	-	0.7	-	-	16.1	-	16.1
Dividends from long-term investments	6.2	-	-	-	-	6.2	-	6.2
Other non-operating items	10.0	(7.2)	(0.3)	16.8	-	19.3	-	19.3
Share of profits of joint venture companies	-	-	0.7	40.3	-	41.0	-	41.0
Share of (losses)/profits of associated companies	(78.5)	-	(0.3)	69.5	-	(9.3)	-	(9.3)
Taxation	(204.4)	(9.5)	(8.5)	(21.5)	(3.8)	(247.7)	-	(247.7)
Profit for the financial year	<u>1,081.1</u>	<u>29.7</u>	<u>39.5</u>	<u>188.0</u>	<u>17.8</u>	<u>1,356.1</u>	<u>(10.6)</u>	<u>1,345.5</u>
Attributable to:								
Owners of the Company								1,301.6
Non-controlling interests								<u>43.9</u>
								<u>1,345.5</u>

\* Relates to inter-segment transactions eliminated on consolidation.

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

Revenue by Area of Original Sale	2018/19	2017/18
East Asia	8,966.2	8,510.7
Europe	2,283.0	2,097.2
South West Pacific	2,091.8	2,051.6
Americas	889.0	780.8
West Asia and Africa	1,028.8	994.9
Systemwide	15,258.8	14,435.2
Non-scheduled services and incidental revenue	696.4	973.7
<b>Total</b>	<b>15,955.2</b>	<b>15,408.9</b>

**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	2018/19	2017/18	% Change
<b>First Half</b>			
Revenue reported for the first half-year	7,906.6	7,712.1	2.5
Profit after tax reported for the first half-year	214.7	649.7	(67.0)
<b>Second Half</b>			
Revenue reported for the second half-year	8,416.6	8,094.0	4.0
Profit after tax reported for the second half-year	506.9	695.8	(27.1)

n.m. not meaningful

**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)	2018/19	2017/18
Ordinary Dividend		
- Interim	94.7	118.2
- Final <sup>#</sup>	260.4	355.1
<b>Total</b>	<b>355.1</b>	<b>473.3</b>

<sup>#</sup> 2018/19 Final ordinary 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 2018/19 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\$)
<b>Ascendas-Singbridge Group</b>		
- ASB Sydney Goulburn Trust	-	489,307
- Ascendas Hotel Investment Company Pty Ltd	-	2,764,264
<b>Certis CISCO Group</b>		
- AJI International Pte Ltd		155,628
- SNP Security	-	397,000
- Synergy FMI Pte. Ltd.	-	4,129,511
<b>KrisShop Pte Ltd</b>	30,165,333 *	937,066
<b>PT Bank Danamon Indonesia TBK</b>	-	415,548
<b>SATS Ltd Group</b>		
- Air India SATS Airport Services Private Limited	-	7,365,214
- Asia Airfreight Terminal Co Ltd	-	2,520,244
- DFASS SATS Pte Ltd	27,500,000 **	2,984,164
- MacroAsia Catering Services Inc.	-	5,380,734
- Maldives Inflight Catering Private Limited	-	1,900,491
- Mumbai Cargo Service Centre Airport Private Limited	-	304,972
- PT Jas Aero-Engineering Services	-	4,572,471
- PT Jasa Angkasa Semesta Tbk	-	18,280,109
- SATS Aero Laundry Pte. Ltd.	-	16,832,359
- SATS Aerolog Express Pte Ltd	-	269,747
- SATS Asia-Pacific Star Pte. Ltd.	-	236,277
- SATS HK Limited	-	3,122,404
- SATS Ltd.	731,165 ^	738,271,315
- SATS Security Services Private Limited	-	22,047,086
- Taj Madras Flight Kitchen Private Limited	-	615,389
- Taj SATS Air Catering Limited	-	4,648,148
- TFK Corporation	-	8,029,811
<b>Singapore Technologies Engineering Limited Group</b>		
- ST Aerospace Academy Pte. Ltd.	-	941,842
- ST Aerospace Services Co Pte. Ltd.	-	152,592
- ST Aerospace Supplies Pte Ltd	-	407,613
<b>Singapore Telecommunications Limited Group</b>		
- Singapore Telecommunications Limited	-	8,233,808
- Optus Networks Pty Ltd	-	397,496

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\$)
<b>Starhub Ltd Group</b>		
- Ensign InfoSecurity (Singapore) Pte. Ltd.	-	176,914
- Ensign InfoSecurity (Systems) Pte. Ltd.	-	1,168,315
- StarHub Ltd	-	1,285,015
<b>Temasek Holdings (Private) Limited and Associates</b>		
- 1-Net Singapore Pte Ltd	-	137,517
- Fullerton Fund Management Company Ltd	7,107,750 ^^	-
- MediaCorp Pte Ltd	-	255,000
- S & I Systems Pte Ltd	-	100,963
- SingEx Venues International Pte Ltd	-	141,060
- SMRT Capital Pte Ltd	1,920,875 ^^	-
<b>Total Interested Person Transactions</b>	<b>67,425,123</b>	<b>860,067,393</b>

\* Singapore Airlines Ltd's ("SIA") and SATS Ltd's ("SATS") subscriptions of new ordinary shares in the capital of KrisShop Pte. Ltd. ("KrisShop") amounting to S\$24,897,685 and S\$5,267,648 respectively.

\*\* KrisShop's estimated acquisition value of DFASS SATS Pte Ltd's business of providing services and merchandise to SIA, SilkAir (Singapore) Pte Ltd and Scoot Tigerair Pte. Ltd.

^ "Earn-out Payments" payable by KrisShop to SATS.

^^ Fullerton Fund Management Company Ltd and SMRT Capital Pte Ltd's subscriptions of Fixed Rate Notes issued by SIA under its Multicurrency Medium Term Note Programme. Pursuant to Rule 909(3) of the SGX Listing Manual, the values of the transactions are the interest payable on the borrowings.

**18 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.

**19 Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder**

Pursuant to Rule 704(13) of the Listing Manual of Singapore Exchange Securities Trading Limited, Singapore Airlines Limited ("the Company") confirms that, to the best of our knowledge to date, there is no person occupying a managerial position in the Company, or in any of its principal subsidiaries, who is a relative of a Director or the Chief Executive Officer or a Substantial Shareholder of the Company.

By Order of the Board

Brenton Wu  
Company Secretary  
16 May 2019

*Singapore Company Registration No.: 197200078R*