



UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2016

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

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE FIRST QUARTER ENDED 30 JUNE 2016 (in \$ million)

	The Group	
	1st Quarter 2016-17	1st Quarter 2015-16
REVENUE	3,654.4	3,733.3
EXPENDITURE		
Staff costs	661.4	588.7
Fuel costs	895.3	1,252.5
Depreciation	380.0	390.6
Impairment of property, plant and equipment	-	8.2
Amortisation of intangible assets	9.1	7.8
Aircraft maintenance and overhaul costs	206.3	176.0
Commission and incentives	89.3	87.3
Landing, parking and overflying charges	200.2	186.9
Handling charges	294.6	277.2
Rentals on leased aircraft	225.0	186.7
Material costs	16.7	14.8
Inflight meals	132.5	132.0
Advertising and sales costs	62.6	65.3
Insurance expenses	10.6	10.6
Company accommodation and utilities	29.0	28.5
Other passenger costs	46.3	45.8
Crew expenses	37.3	35.5
Other operating expenses	165.0	127.5
	3,461.2	3,621.9
OPERATING PROFIT	193.2	111.4
Finance charges	(10.5)	(13.3)
Interest income	22.2	17.8
Loss on disposal of aircraft, spares and spare engines	(1.0)	(0.6)
Dividends from long-term investments	-	12.2
Dividends from asset held for sale	39.5	-
Other non-operating items	141.8	6.8
Share of profits/(losses) of joint venture companies	3.9	(0.7)
Share of losses of associated companies	(47.8)	(7.1)
PROFIT BEFORE TAXATION	341.3	126.5
TAXATION	(38.2)	(24.9)
PROFIT FOR THE PERIOD	303.1	101.6
PROFIT ATTRIBUTABLE TO:		
OWNERS OF THE PARENT	256.6	91.2
NON-CONTROLLING INTERESTS	46.5	10.4
	303.1	101.6
BASIC EARNINGS PER SHARE (CENTS)	21.7	7.8
DILUTED EARNINGS PER SHARE (CENTS)	21.6	7.8

Notes:

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

	The Group	
	1st Quarter 2016-17	1st Quarter 2015-16
Compensation for changes in aircraft delivery slots	(11.6)	(110.1)
Interest income from short-term investments	(0.2)	(0.2)
Dividend income from short-term investments	(0.4)	(0.4)
Income from operating lease of aircraft	(12.7)	(13.1)
Amortisation of deferred gain on sale and operating leaseback transactions	(1.7)	(3.3)
Loss/(Surplus) on disposal of short-term investments	0.9	(0.8)
Bad debts written off	0.3	-
Impairment of trade debtors	0.1	0.7
Writedown of inventories	1.4	6.6
Exchange loss, net	10.0	31.2
Currency hedging loss/(gain)	7.7	(36.7)
Fuel hedging loss recognised in "Fuel costs"	183.7	262.7
Ineffectiveness of fuel hedging contracts recognised in "Fuel costs"	(42.8)	0.5
(Over)/Underprovision of tax in respect of prior years	(3.5)	7.9

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

	The Group	
	1st Quarter 2016-17	1st Quarter 2015-16
Surplus on disposal of asset held for sale	141.6	-
Surplus on disposal of other property, plant and equipment	0.2	6.8
	<u>141.8</u>	<u>6.8</u>

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2016 (in \$ million)**

	The Group	
	1st Quarter 2016-17	1st Quarter 2015-16
PROFIT FOR THE PERIOD	303.1	101.6
OTHER COMPREHENSIVE INCOME:		
<u>Items that are or may be reclassified subsequently to profit or loss:</u>		
Currency translation differences	(27.6)	(20.0)
Net fair value changes on available-for-sale financial assets	(138.3)	(1.8)
Net fair value changes on cash flow hedges	450.6	244.5
Share of other comprehensive income of associated and joint venture companies	29.2	6.3
	<u>313.9</u>	<u>229.0</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>617.0</u>	<u>330.6</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE PARENT	603.0	317.0
NON-CONTROLLING INTERESTS	<u>14.0</u>	<u>13.6</u>
	<u>617.0</u>	<u>330.6</u>

1(b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION AT 30 JUNE 2016 (in \$ million)

	The Group		The Company	
	30-Jun 2016	31-Mar 2016	30-Jun 2016	31-Mar 2016
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
Share capital	1,856.1	1,856.1	1,856.1	1,856.1
Treasury shares	(154.0)	(381.5)	(154.0)	(381.5)
Other reserves	11,863.0	11,280.1	11,091.0	10,533.6
	13,565.1	12,754.7	12,793.1	12,008.2
NON-CONTROLLING INTERESTS	382.4	378.2	-	-
TOTAL EQUITY	13,947.5	13,132.9	12,793.1	12,008.2
DEFERRED ACCOUNT	253.5	225.3	228.6	197.5
DEFERRED TAXATION	1,807.5	1,681.7	1,455.4	1,346.5
LONG-TERM LIABILITIES	1,242.2	1,283.4	1,077.0	1,110.1
PROVISIONS	873.9	877.1	633.6	647.2
DEFINED BENEFIT PLANS	128.2	129.3	120.3	121.4
	18,252.8	17,329.7	16,308.0	15,430.9
Represented by:-				
PROPERTY, PLANT AND EQUIPMENT				
Aircraft, spares and spare engines	10,953.8	10,510.7	7,774.4	7,541.8
Others	3,888.1	3,632.8	2,923.5	2,699.4
	14,841.9	14,143.5	10,697.9	10,241.2
INTANGIBLE ASSETS	518.6	515.8	167.6	167.0
SUBSIDIARY COMPANIES	-	-	4,607.8	4,460.9
ASSOCIATED COMPANIES	834.9	901.9	531.5	531.5
JOINT VENTURE COMPANIES	153.9	156.3	-	-
LONG-TERM INVESTMENTS	740.0	773.1	721.2	754.4
OTHER LONG-TERM ASSETS	693.4	496.8	590.7	398.7
DEFERRED ACCOUNT	7.3	6.0	1.6	-
CURRENT ASSETS				
Inventories	180.4	181.9	107.2	108.2
Trade debtors	1,034.7	1,221.8	634.3	799.4
Deposits and other debtors	110.8	114.8	40.8	43.5
Prepayments	197.4	132.4	161.2	104.8
Amounts owing by subsidiary companies	-	-	207.2	318.0
Loan receivable from an associated company	116.4	62.0	116.4	62.0
Derivative assets	36.1	24.9	32.1	22.3
Investments	671.4	668.1	608.6	601.9
Cash and bank balances	4,096.9	3,972.4	3,376.3	3,239.2
Other short-term assets	18.2	-	18.2	-
Assets held for sale	30.7	398.0	-	-
	6,493.0	6,776.3	5,302.3	5,299.3
Less: CURRENT LIABILITIES				
Sales in advance of carriage	1,580.7	1,626.2	1,384.4	1,460.1
Deferred revenue	678.7	669.4	678.7	669.4
Current tax payable	189.8	191.9	125.0	131.0
Trade and other creditors	2,981.5	2,899.0	2,233.9	2,194.9
Amounts owing to subsidiary companies	-	-	1,409.8	1,191.1
Borrowings	69.4	211.9	-	-
Provisions	227.4	218.5	189.3	180.5
Derivative liabilities	302.7	623.1	291.5	595.1
	6,030.2	6,440.0	6,312.6	6,422.1
NET CURRENT ASSETS/(LIABILITIES)	462.8	336.3	(1,010.3)	(1,122.8)
	18,252.8	17,329.7	16,308.0	15,430.9

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

Amount repayable in one year or less, or on demand

As at 30 June 2016		As at 31 March 2016	
Secured	Unsecured	Secured	Unsecured
\$58.8M	\$10.6M	\$203.1M	\$8.8M

Amount repayable after one year

As at 30 June 2016		As at 31 March 2016	
Secured	Unsecured	Secured	Unsecured
\$101.9M	\$1,024.5M	\$111.1M	\$1,024.5M

Details of any collateral

The secured borrowings pertained to secured bank loans (\$121.6 million) and finance leases of aircraft (\$39.1 million). The secured bank loans are secured via assignment of the aircraft purchase agreement, assignment of engine warranty and credit agreement as well as mortgage of the aircraft.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016 (in \$ million)**

	The Group	
	1st Quarter 2016-17	1st Quarter 2015-16
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	341.3	126.5
Adjustments for:		
Depreciation	380.0	390.6
Impairment of property, plant and equipment	-	8.2
Amortisation of intangible assets	9.1	7.8
Impairment of trade debtors	0.1	0.7
Writedown of inventories	1.4	6.6
Income from short-term investments	(0.6)	(0.6)
Provisions	74.6	4.1
Share-based compensation expense	3.2	2.9
Exchange differences	2.1	21.2
Amortisation of deferred gain on sale and operating leaseback transactions	(1.7)	(3.3)
Finance charges	10.5	13.3
Interest income	(22.2)	(17.8)
Loss on disposal of aircraft, spares and spare engines	1.0	0.6
Dividends from long-term investments	-	(12.2)
Dividend from asset held for sale	(39.5)	-
Other non-operating items	(141.8)	(6.8)
Share of (profits)/losses of joint venture companies	(3.9)	0.7
Share of losses of associated companies	47.8	7.1
Operating cash flow before working capital changes	661.4	549.6
Increase/(Decrease) in trade and other creditors	14.0	(41.1)
(Decrease)/Increase in sales in advance of carriage	(45.5)	186.0
Decrease in trade debtors	186.6	106.0
Decrease/(Increase) in deposits and other debtors	4.0	(9.8)
Increase in prepayments	(65.0)	(18.4)
Decrease in inventories	0.1	7.7
Increase in deferred revenue	9.3	6.3
Cash generated from operations	764.9	786.3
Income taxes paid	(5.9)	(4.1)
NET CASH PROVIDED BY OPERATING ACTIVITIES	759.0	782.2

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016 (in \$ million)**

	The Group	
	1st Quarter 2016-17	1st Quarter 2015-16
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(1,095.1)	(592.5)
Purchase of intangible assets	(12.0)	(7.5)
Proceeds from disposal of aircraft and other property, plant and equipment	1.2	67.7
Purchase of long-term investments	-	(40.7)
Purchase of short-term investments	(309.3)	(45.3)
Proceeds from disposal of short-term investments	337.1	89.7
Dividends received from associated and joint venture companies	25.9	11.7
Dividends received from investments	0.4	12.5
Dividends received from asset held for sale	39.5	-
Interest received from investments and deposits	22.4	16.3
Proceeds from disposal of assets held for sale	372.3	-
Loan to an associated company	(54.4)	-
Investments in associated companies	-	(21.1)
NET CASH USED IN INVESTING ACTIVITIES	(672.0)	(509.2)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid by subsidiary companies to non-controlling interests	(1.6)	(0.7)
Proceeds from exercise of share options pursuant to the Voluntary Conditional General Offer ("VGO") of Tiger Airways	301.2	-
Acquisition of non-controlling interests without a change in control	(49.3)	-
Issuance of share capital by a subsidiary company	1.4	-
Interest paid	(10.8)	(13.5)
Proceeds from borrowings	1.8	1.2
Repayment of borrowings	(148.2)	(9.2)
Repayment of long-term lease liabilities	(5.3)	(14.7)
Proceeds from exercise of share options	31.5	17.8
Purchase of treasury shares	(82.5)	(1.3)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES	38.2	(20.4)
NET CASH INFLOW	125.2	252.6
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	3,972.4	5,042.7
Effect of exchange rate changes	(0.7)	(32.8)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	4,096.9	5,262.5
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits	3,012.3	4,424.7
Cash and bank	1,084.6	837.8
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	4,096.9	5,262.5

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

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

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2015 (in \$ million)

The Group	Attributable to Owners of the Parent							Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve			
Balance at 1 April 2015	1,856.1	(326.3)	215.9	(135.7)	113.2	(706.2)	11,446.6	12,463.6	466.5	12,930.1
<u>Comprehensive income</u>										
Currency translation differences	-	-	-	(23.2)	-	-	-	(23.2)	3.2	(20.0)
Net fair value changes on available-for-sale assets	-	-	-	-	-	(1.8)	-	(1.8)	-	(1.8)
Net fair value changes on cash flow hedges	-	-	-	-	-	244.5	-	244.5	-	244.5
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	0.3	6.0	-	6.3	-	6.3
Other comprehensive income for the period	-	-	-	(23.2)	0.3	248.7	-	225.8	3.2	229.0
Profit for the period	-	-	-	-	-	-	91.2	91.2	10.4	101.6
Total comprehensive income for the period, net of tax	-	-	-	(23.2)	0.3	248.7	91.2	317.0	13.6	330.6
<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	-	-	(1.8)	-	-	-	-	(1.8)	-	(1.8)
Surplus on dilution of interest in subsidiary companies due to share options exercised	-	-	-	-	(1.4)	-	2.8	1.4	1.9	3.3
Share-based compensation expense	-	-	-	-	2.9	-	-	2.9	-	2.9
Share options lapsed	-	-	-	-	(3.2)	-	3.2	-	-	-
Purchase of treasury shares	-	(1.3)	-	-	-	-	-	(1.3)	-	(1.3)
Treasury shares reissued pursuant to equity compensation plans	-	19.9	0.6	-	(6.0)	-	-	14.5	-	14.5
Dividends	-	-	-	-	-	-	-	-	(0.7)	(0.7)
Total transactions with owners	-	18.6	(1.2)	-	(7.7)	-	6.0	15.7	1.2	16.9
Balance at 30 June 2015	1,856.1	(307.7)	214.7	(158.9)	105.8	(457.5)	11,543.8	12,796.3	481.3	13,277.6

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

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

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

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2015	1,856.1	(326.3)	(6.3)	96.1	(581.8)	10,541.5	11,579.3
<u>Comprehensive income</u>							
Net fair value changes on available-for-sale assets	-	-	-	-	(0.5)	-	(0.5)
Net fair value changes on cash flow hedges	-	-	-	-	204.0	-	204.0
Other comprehensive income for the period	-	-	-	-	203.5	-	203.5
Profit for the period	-	-	-	-	-	114.5	114.5
Total comprehensive income for the period, net of tax	-	-	-	-	203.5	114.5	318.0
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Share-based compensation expense	-	-	-	1.7	-	-	1.7
Share options lapsed	-	-	-	(3.2)	-	3.2	-
Purchase of treasury shares	-	(1.3)	-	-	-	-	(1.3)
Treasury shares reissued pursuant to equity compensation plans	-	19.9	0.6	(6.0)	-	-	14.5
Total transactions with owners	-	18.6	0.6	(7.5)	-	3.2	14.9
Balance at 30 June 2015	<u>1,856.1</u>	<u>(307.7)</u>	<u>(5.7)</u>	<u>88.6</u>	<u>(378.3)</u>	<u>10,659.2</u>	<u>11,912.2</u>

1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

SHARE CAPITAL AND SHARE PLANS IN THE COMPANY

Share Capital

During the period April to June 2016, the Company did not issue any shares upon exercise of options pursuant to share options exercised under the Employee Share Option Plan, as treasury shares were transferred to the employees.

Group and Company	Number of Shares	Share Capital (\$ million)
Issued and fully paid share capital		
<u>Ordinary Shares</u>		
Balance at 1 April 2016	1,199,851,018	1,856.1
Share options exercised during the period April to June 2016	-	-
Balance at 30 June 2016	1,199,851,018	1,856.1

As at 30 June 2016, the number of ordinary shares in issue was 1,199,851,018 of which 14,565,539 were held by the Company as treasury shares (30 June 2015: 1,199,851,018 ordinary shares of which 28,726,839 were held as treasury shares). The share capital was \$1,856.1 million.

Employee Share Option Plan

As at 30 June 2016, the number of share options of the Company outstanding was 18,770,801 (30 June 2015: 22,294,264). During the period April to June 2016, 2,190,071 options were exercised under the Singapore Airlines Limited Employee Share Option Plan, which comprises the Senior Executive Share Option Scheme for senior executives and the Employee Share Option Scheme for all other employees. Treasury shares were transferred to the employees on exercise of these share options.

The movement of share options of the Company during the period April to June 2016 is as follows:

Date of Grant	Balance at 01.04.2016	Cancelled	Exercised	Balance at 30.06.2016	Exercise price*	Expiry date
03.07.2006	3,799,229	(16,530)	(2,190,071)	1,592,628	\$9.34	02.07.2016
02.07.2007	9,026,612	(71,820)	-	8,954,792	\$15.46	01.07.2017
01.07.2008	8,287,356	(63,975)	-	8,223,381	\$12.07	30.06.2018
	21,113,197	(152,325)	(2,190,071)	18,770,801		

* Following approval by the Company's shareholders of the declaration of a special dividend of \$0.50 per share on 31 July 2007, the Board Compensation & Industrial Relations Committee approved a reduction of \$0.50 in the exercise prices of the share options outstanding on 2 August 2007. The said Committee approved another \$1.71 reduction in the exercise prices of the share options outstanding on 28 August 2009 following approval by the Company's shareholders of the dividend *in specie* of SATS shares on 31 July 2009. The Committee approved another reduction of \$0.80 in the exercise prices of the share options outstanding on 18 August 2011, following approval by the Company's shareholders of the declaration of a special dividend of \$0.80 per share on 29 July 2011. Following approval by the Company's shareholders of the declaration of a special dividend of \$0.25 per share on 30 July 2014, the Committee approved another reduction of \$0.25 in the exercise prices of the share options outstanding on 14 August 2014. The exercise prices reflected here are the exercise prices after such adjustments.

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

In addition to the Employee Share Option Plan, senior management staff are entitled to two share-based incentive plans, the RSP and PSP, which were first approved by the shareholders of the Company on 28 July 2005 and expired on 27 July 2015. On 30 July 2014, the shareholders of the Company approved the RSP 2014 and PSP 2014, which replaced the RSP and PSP respectively.

Depending on the achievement of pre-determined targets over a two-year period for the RSP and a three-year period for the PSP, the final number of restricted shares and performance shares awarded could range between 0% and 150% of the initial grant of the restricted shares and between 0% and 200% of the initial grant of the performance shares.

As at 30 June 2016, the number of outstanding shares granted under the Company's RSP and PSP were 1,691,734 (30 June 2015: 1,575,637) and 716,693 respectively (30 June 2015: 650,398).

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

Number of Restricted Shares				
Date of Grant	Balance at 01.04.2016	Granted	Cancelled	Balance at 30.06.2016
<u>RSP</u>				
10.07.2012	102,188	-	(794)	101,394
15.07.2013	186,175	-	-	186,175
03.07.2014	689,073	-	-	689,073
03.07.2015	715,092	-	-	715,092
	1,692,528	-	(794)	1,691,734

Number of Performance Shares				
Date of Grant	Balance at 01.04.2016	Granted	Vested	Balance at 30.06.2016
<u>PSP</u>				
15.07.2013	228,425	-	-	228,425
03.07.2014	248,568	-	-	248,568
03.07.2015	239,700	-	-	239,700
	716,693	-	-	716,693

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

Number of Time-based Restricted Shares				
Date of Grant	Balance at 01.04.2016	Granted	Vested	Balance at 30.06.2016
<u>RSP</u>				
07.05.2010	5,426	-	-	5,426

Deferred Share Award ("DSA")

In September 2013 and August 2014, one-off grants of Deferred Share Award of fully paid ordinary shares were granted to senior management. At the end of a 3-year vesting period, an additional final award will be vested equal to the Base Award multiplied by the accumulated dividend yield. The details of the Deferred Share Award are as follows:

Date of Grant	Number of Deferred Share Award			
	Balance at 01.04.2016	Granted	Vested	Balance at 30.06.2016
DSA				
04.09.2013	154,557	-	-	154,557
28.08.2014	73,470	-	-	73,470
10.09.2015	74,790	-	-	74,790
	302,817	-	-	302,817

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

As at 30 June 2016, the number of ordinary shares in issue was 1,199,851,018 of which 14,565,539 were held by the Company as treasury shares (30 June 2015: 1,199,851,018 ordinary shares of which 28,726,839 were held as treasury shares).

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

During the period April to June 2016, the Company purchased 7,811,200 treasury shares (April to June 2015: 126,500).

The Company transferred 2,190,071 treasury shares to employees on exercise of share options and another 27,125,949 treasury shares on exercise of the share options granted pursuant to the VGO of Tiger Airways (April to June 2016: 1,760,351 on exercise of share options and 101,753 on vesting of share-based incentive plans). Treasury shares are presented as a component within equity attributable to owners of the parent.

Group and Company	Number of Shares	Treasury Shares (\$ million)
Balance at 1 April 2016	36,070,359	(381.5)
Purchase of treasury shares	7,811,200	(82.5)
Treasury shares transferred on exercise of share options	(2,190,071)	23.1
Treasury shares transferred on exercise of share options pursuant to the VGO of Tiger Airways	(27,125,949)	286.9
Balance at 30 June 2016	14,565,539	(154.0)

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

The financial statements have not been audited or reviewed by our auditors.

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

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 March 2016. The adoption of the new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for financial year beginning on or after 1 April 2016 has no significant impact on the Group.

During the quarter, with effect from 1 April 2016:

1. The Group revised certain assumptions to recognize passenger ticket breakage revenue from expected unutilised tickets on flight date, resulting in a one-time increase in revenue of approximately \$151.2 million.
2. The Group identified the embedded engine overhaul element within the engine as a separate component for depreciation over a shorter useful life of between 4 to 8 years. The effect of this revision is an increase in depreciation expense of approximately \$6.6 million for the quarter ended 30 June 2016.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	1 st Quarter 2016-17	1 st Quarter 2015-16
Earnings per share (cents)		
- Basic	21.7	7.8
- Diluted	21.6	7.8

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 30 Jun 16	As at 31 Mar 16	As at 30 Jun 16	As at 31 Mar 16
Net asset value per ordinary share (\$)	11.44	10.96	10.79	10.32

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

GROUP FINANCIAL PERFORMANCE

First Quarter 2016-17

The Group reported an operating profit of \$193 million in the April-June 2016 quarter, an improvement of \$82 million or 73.9% year-on-year.

Group revenue declined \$79 million (-2.1%) to \$3,654 million. Passenger flown revenue fell \$75 million (-2.6%), mainly attributable to lower revenue from the Parent Airline Company, partially compensated by an improved performance from Scoot and SilkAir on the back of growth in operations. Other passenger revenue increased by \$54 million (+21.4%) largely due to a one-time credit upon a change in the timing of recognising revenue from unutilised tickets, partially offset by the absence of income earned upon the release of seven aircraft delivery slots which was recorded last year. Cargo revenue decreased \$60 million (-11.6%) largely due to a 17.4% contraction in cargo yield.

Group expenditure declined \$161 million (-4.4%) to \$3,461 million. Net fuel cost fell \$357 million, arising from a 28% drop in average jet fuel price (-\$287 million) and lower hedging loss (-\$122 million), partially offset by the strengthening of the US Dollar against the Singapore Dollar (+\$6 million), and higher volume uplifted (+\$46 million). Ex-fuel costs rose by \$196 million, partly due to capacity expansion at SilkAir and Scoot, and the exchange impact of the stronger US Dollar year-on-year.

Group net profit for the quarter was \$257 million, an improvement of \$166 million (+182.4%) over last year. On top of a better operational performance (+\$82 million), the Group recorded higher non-operating income (+\$133 million). This was mainly due to SIA Engineering's gain on divestment of its 10.0% stake in Hong Kong Aero Engine Services Ltd (HAESL) (+\$142 million), coupled with \$36 million in special dividends received from HAESL following the sale of HAESL's 20.0% stake in Singapore Aero Engine Services Ltd. These were partially offset by a higher share of losses from Virgin Australia (-\$41 million), mainly due to restructuring costs.

First Quarter Operating Results of Main Companies

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

Operating Profit/(Loss)	1 st Quarter FY2016-17 \$ million	1 st Quarter FY2015-16 \$ million
Parent Airline Company	197	108
SIA Engineering	(2)	21
SilkAir	27	5
SIA Cargo	(34)	(9)
Scoot	1	(20)
Tiger Airways	8	0

Operating profit for the Parent Airline Company was \$89 million higher compared to the same quarter last year. Revenue declined by \$112 million, mainly due to a reduction in passenger revenue stemming from a 3.7% contraction in passenger yield and a 1.7% fall in passenger carriage (measured in revenue passenger-kilometres). Capacity (measured in available seat-kilometres) declined by 1.1%, hence passenger load factor decreased 0.5 percentage points to 75.8%. Expenditure was down \$201 million, with \$296 million in savings coming from a reduction in net fuel costs, offset by higher ex-fuel costs (+\$95 million).

SIA Engineering recorded an operating loss of \$2 million compared to a \$21 million operating profit a year ago. Revenue declined \$7 million, mainly from its fleet management programme, partially offset by an increase in line maintenance services, and airframe and component overhaul revenue. Expenditure increased \$16 million largely due to higher staff costs (+\$23 million) arising from an increase in provision for profit sharing bonus that pertains to the divestment of HAESL, partially mitigated by a foreign exchange gain compared to a loss last year (-\$6 million).

SilkAir recorded a more than five-fold increase in operating profit (+\$22 million) year-on-year. Revenue rose \$14 million, boosted by a 12.4% increase in passenger carriage, partially offset by an 8.2% reduction in passenger yield. Despite capacity growth (+12.3%), expenditure contracted by \$8 million (-3.6%) and this was largely attributable to lower fuel costs. Passenger load factor was maintained at 70.1%.

SIA Cargo's revenue fell by \$60 million as a result of a yield decline of 17.4%, which was partially mitigated by 6.4% growth in freight carriage (in load tonne-kilometres). Capacity increased by 4.8%; consequently cargo load factor increased by 0.9 percentage points to 62.0%. Expenditure declined by \$35 million mainly due to lower fuel costs. The reduction in expenditure could not fully compensate for the reduction in revenue and, consequently, SIA Cargo's operating loss widened to \$34 million from \$9 million a year ago.

Scot recorded an operating profit of \$1 million compared to an operating loss of \$20 million last year. Revenue (+\$46 million) was boosted by 54.7% growth in passenger carriage, outstripping its 53.0% capacity expansion, notwithstanding a 3.8% decline in yield. This was partially offset by higher expenditure (+\$25 million) from growth in operations. Unit costs fell by 18.9%, benefitting from lower fuel prices, and partly from the deployment of the more fuel efficient 787s in the quarter. Scot's passenger load factor increased by 0.9 percentage points to 82.3%.

Tiger Airways achieved an \$8 million improvement in operating profit compared to its break-even result in the previous year. The better performance arose mainly from expenditure falling \$7 million, with benefits from fuel cost savings being partly eroded by higher lease rentals and maintenance costs. Passenger carriage declined 0.7% against a 0.5% reduction in capacity. Passenger load factor fell marginally by 0.1 percentage points to 83.4%.

BALANCE SHEET REVIEW **(June 2016 vs March 2016)**

Equity attributable to owners of the parent increased by \$810 million (6.4%) to \$13,565 million as at 30 June 2016 largely due to fair value movement on cash flow hedges (+\$450 million), treasury shares reissued pursuant to the VGO of Tiger Airways (+\$287 million), and net profits for April – June 2016 (+\$257 million), partially offset by the fair value movement in available-for-sale investments (-\$106 million). The fair value movement on cash flow hedges of \$450 million was mainly attributable to the reduction in fair value losses incurred on outstanding fuel hedges. The decline in fair value of available-for-sale investments was mainly due to the realisation of the gain on HAESL, pursuant to SIAEC's completion of the divestment transaction.

Total Group assets rose by \$513 million (2.2%) to \$24,283 million. The increase was mainly attributable to an increase in property, plant and equipment (+\$698 million), other long-term assets (+\$197 million) and cash balances (+\$125 million), partially offset by a decrease in assets held for sale (-\$367 million) and trade debtors (-\$187 million).

Total Group liabilities decreased by \$301 million (2.8%) to \$10,336 million as at 30 June 2016. The decrease was attributable to a reduction in derivative liabilities (-\$320 million) and borrowings (-\$143 million), partially offset by an increase in deferred taxation (+\$126 million). The decrease in derivative liabilities primarily arose from the reduction in fair value losses on outstanding fuel hedging contracts.

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

Not applicable.

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

OUTLOOK

The business outlook for the Parent Airline Company remains challenging amid economic weakness and geopolitical concerns in some markets. Competition remains intense with aggressive capacity injection, and yields will continue to remain under pressure. Yields will be further diluted if key revenue-generating currencies depreciate against the Singapore Dollar.

The Parent Airline Company looks forward to the expansion of its fleet of A350-900 aircraft to 11 by the end of the financial year. These more fuel efficient aircraft will offer new opportunities to grow long haul operations, and further strengthen the Singapore hub.

The purchase of all the ordinary shares of Tiger Airways and the establishment of Budget Aviation Holdings to own and manage Scoot and Tiger Airways, during the quarter, lays the foundation for the integration of commercial and operational synergies between the two low cost subsidiaries.

The cargo market remains soft, with economic uncertainty in Europe and China. Cargo yields are expected to remain under pressure as overcapacity persists in the industry.

The Group has hedged 37.5% of its jet fuel requirements for the second quarter at a weighted average price of USD81 per barrel.

The Group's balance sheet remains strong and will position the Group to weather the many challenges ahead.

11 Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/recommendeded for the period ended 30 June 2016.

13 Interested Person Transactions

The aggregate values of all Interested Person Transactions ("IPTs") entered into during the first quarter of the Financial Year 2016-17 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)
	1 st Quarter 2016-17 (S\$)	1 st Quarter 2016-17 (S\$)
CapitaLand Limited Group - PT Menara Aspen Persada	-	152,957
PT Bank Danamon Indonesia TBK	-	158,607
SATS Ltd Group - Aero Laundry & Linen Services Private Limited - Aerolog Express Pte Ltd - Air India SATS Airport Services Private Limited - Asia Airfreight Terminal Co Ltd - Beijing Airport Inflight Kitchen Ltd - DFASS SATS Pte Ltd - Maldives Inflight Catering Private Limited - PT Jasa Angkasa Semesta Tbk - SATS HK Limited - SATS Ltd - SATS Security Services Private Limited - Taj Madras Flight Kitchen Pvt Limited - Taj SATS Air Catering Ltd - TKF Corporation	- - - - - - - - - - - - - - -	4,058,189 151,286 1,472,495 2,020,277 1,529,283 1,095,357 786,107 4,318,623 1,146,024 175,381,760 5,681,449 189,349 1,166,799 1,864,161
Singapore Telecommunications Limited		277,133
Temasek Holdings (Private) Limited and Associates - MediaCorp Pte Ltd - Certis Cisco Aviation Security Pte Ltd	- -	170,017 396,244
Total Interested Person Transactions	-	202,016,117

By Order of the Board

Brenton Wu
Company Secretary
28 July 2016

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

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

CONFIRMATION BY THE BOARD

We, Stephen Lee Ching Yen and Goh Choon Phong, being two directors of Singapore Airlines Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter FY2016-17 financial results to be false or misleading in any material respect.

On behalf of the Board,



STEPHEN LEE CHING YEN
Chairman


GOH CHOON PHONG
Chief Executive Officer

28 July 2016