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40% JUMP IN FUEL PRICE OVERSHADOWS GOOD PROGRESS IN REVENUE AND COST EFFICIENCY

- **Transformation programme helping lift passenger and cargo revenue**
- **Ex-fuel unit costs reduced for all airlines in the Group**
- **New non-stop US flights and ongoing enhancement of customer experience strengthening competitive position**

GROUP FINANCIAL PERFORMANCE

First Half 2018/19

The SIA Group reported an operating profit of $426 million in the first half of the 2018/19 financial year, a decline of $336 million (-44.1%) from last year's restated profit of $762 million [Note 2]. Excluding one-off items of $175 million [Note 3], however, the drop in operating profit would have been $161 million (-27.4%). The decline was a consequence of a $379 million (+20.4%) increase in fuel costs.

Flown revenue for the Group rose by $422 million, contributed by passenger flown revenue (+$346 million or +5.8%) and cargo flown revenue ($76 million or +7.4%). Passenger flown revenue was lifted by an 8.8% increase in traffic, outpacing growth in capacity of 5.4%, driving passenger load factor for the Group airlines in aggregate to rise 2.6% points to 83.6%. Passenger unit revenue (measured in revenue per available seat-kilometres) grew 1.3% as transformation efforts yielded positive results. Cargo flown revenue was $76 million (+7.4%) higher on stronger yields (+9.7%), partially offset by lower loads carried (-2.3%).

Note 1: The SIA Group's unaudited financial results for the half year and second quarter ended 30 September 2018 were announced on 13 November 2018. 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.)

Note 2: 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 April-September 2017 quarter was $248 million. For comparison, the IFRS impact for the April-September 2018 quarter was $222 million.

Note 3: Non-recurring revenue items were in relation to KrisFlyer breakage rate adjustments and compensation for changes in aircraft delivery slots ($175 million) recognised in the first quarter of the financial year 2017/18.

Revenue contribution from engineering services fell $19 million (-7.9%) on lower airframe and fleet management activities. Together with other miscellaneous changes in revenue, and in the absence of non-recurring revenue, Group revenue improved by $195 million (+2.5%) to $7,907 million.

Expenditure for the Group increased $531 million to $7,481 million (+7.6%), predominantly led by an increase in net fuel cost (+$379 million or +20.4%). Fuel cost before hedging for the Group rose by $692 million, mainly due to a US$26 per barrel (+39.5%) increase in average jet fuel price, partially alleviated by hedging gains versus losses last year (+$313 million). Ex-fuel costs were $152 million (+3.0%) higher, well within the growth in capacity largely contributed by passenger airlines (+5.4%), due to the success of continuing efforts to improve cost efficiency.

The Group recognised an increase in share of losses ($97 million) of its associated companies for the period, mostly due to Virgin Australia (VAH), whose results were impacted by major accounting adjustments following a review of its asset values in accordance with accounting standards. As a result of the review, Virgin Australia de-recognised approximately A$452 million ($456 million) in deferred tax assets and made a A$121 million ($122 million) impairment of the assets of the Virgin Australia International business. The SIA Group recognised its share of losses ($116 million) arising from these non-cash adjustments.

Group net profit fell to $196 million, $435 million (-68.9%) lower than a year ago. The following table summarises the major one-off items affecting the Group results for the first half of both financial years:

	1st Half FY2018/19 $ million	1st Half FY2017/18 $ million
Reported Net Profit	196	631
Exclude Non-recurring Items:		
KrisFlyer Breakage and Aircraft Compensation	*-*	*(175)*
Share of VAH's Accounting Adjustments	*116*	*-*
Tax Impact	*-*	*30*
Adjusted Net Profit	312	486

Excluding the impact of these non-recurring items, adjusted net profit fell to $312 million, $174 million (-35.8%) lower than a year ago. This reduction was the result of a weaker operating performance (-$161 million), despite strong growth in flown revenue, mainly due to the $379 million increase in net fuel costs.

First Half Operating Results of Main Companies

The operating results of the main companies in the Group for the first half of the financial year were as follows. The weaker performance for airlines was largely due to higher fuel cost.

Operating Profit/(Loss)	1st Half FY2018/19 $ million	1st Half FY2017/18 $ million
Parent Airline Company [Note 4]	418	689
SilkAir	(3)	22
Scoot	(10)	5
SIA Engineering	22	39

Operating profit for the Parent Airline Company declined $271 million to $418 million, as the increase in expenditure and absence of non-recurring revenue ($175 million) outpaced growth in passenger and cargo flown revenue (+$277 million). Passenger flown revenue rose $201 million (+4.2%), with unit revenue improving by 1.2%. Passenger load factor rose 2.7 percentage points to 83.6% on a 6.0% gain in passenger carriage (measured in revenue passenger-kilometres), and capacity growth of 2.6% (measured in available seat-kilometres). Cargo flown revenue grew $76 million (+7.4%) driven by stronger yields (+9.7%), partially offset by lower loads (-2.3%).

Expenditure was up $348 million (+6.2%), primarily due to higher net fuel cost ($279 million). The effect of significantly higher fuel prices (+$597 million) was partially mitigated by fuel hedging gains (-$256 million) and a weaker US dollar (-$57 million). The rise in ex-fuel costs (+1.7%) was partly contributed by increases in staff costs from higher staff strength, and sales costs on the growth in passenger traffic.

SilkAir reported a half-year loss of $3 million, a reversal from last year's profit of $22 million. Total revenue rose $13 million (+2.8%), lifted by 10.5% growth in passenger carriage. However, expenditure was up $38 million, mostly on higher net fuel cost (+$20 million) and ex-fuel variable costs, contributed by a 6.6% increase in capacity. Unit revenue fell 3.6%, while passenger load factor rose 2.7 percentage points to 75.8%.

Scoot recorded an operating loss of $10 million, a deterioration of $15 million year-on-year. Revenue increased $139 million (+19.2%), as passenger traffic grew 19.4%. Unit revenue rose 2.1%. However, expenditure surged $154 million (+21.4%), mainly from higher net fuel cost (+$80 million) and ex-fuel costs from a larger fleet and an expanded operation (capacity rose 16.3%), which outpaced revenue growth. Passenger load factor increased 2.2 percentage points to 86.4%.

Note 4: 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. Please refer to Annex B for more details.

Operating profit for SIA Engineering fell to $22 million, a decline of $17 million from a year ago, mainly due to a reduction in revenue on lower airframe and fleet management activities. The deterioration was partially cushioned by lower material and subcontract services costs, as well as foreign exchange gains against losses last year.

Second Quarter 2018/19

Operating profit for the second quarter contracted $124 million to $233 million (-34.7%), as expenditure increased $338 million (+9.7%), mainly from fuel and capacity injection, outweighing revenue growth of $214 million (+5.6%). Net fuel cost for the Group rose $226 million (+24.3%), while ex-fuel costs were $112 million (+4.4%) higher, in tandem with the Group's capacity growth of 5.3%.

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

Operating Profit/(Loss)	2nd Quarter FY2018/19 $ million	2nd Quarter FY2017/18 $ million
Parent Airline Company	237	319
SilkAir	(3)	14
Scoot	(11)	2
SIA Engineering	11	20

Operating performance for the Group airlines in the second quarter was weaker, despite gains in flown revenue, mostly as a result of higher fuel cost. The Parent Airline Company reported a $133 million gain (+4.2%) in revenue on the back of passenger carriage growth (+6.5%), but this was offset by higher fuel (+$167 million) and other expenditure.

SilkAir and Scoot reported operating losses, as the increase in fuel and expansion costs outpaced revenue growth. SilkAir reported a $5 million improvement (+2.1%) in passenger flown revenue on a 6.0% increase in passenger traffic, but it was insufficient to mitigate a $10 million rise in net fuel cost, amongst other cost increases. Passenger revenue for Scoot rose $79 million (+23.4%), driven by a 21.5% increase in carriage on capacity growth of 18.3%, but this was overshadowed by higher fuel and other costs.

Group net profit for the second quarter fell to $56 million, $237 million (-80.9%) lower year-on-year. The following table highlights the major one-off item affecting the Group results for the second quarter of the financial year:

	2nd Quarter FY2018/19 $ million	2nd Quarter FY2017/18 $ million
Reported Net Profit	56	293
Exclude Non-recurring Item:		
Share of VAH's Accounting Adjustments	*116*	-
Adjusted Net Profit	172	293

Excluding the impact of the non-recurring item during the second quarter, the adjusted net profit for the period is $121 million lower (-41.3%) against last year. The reduction is primarily the result of a weaker operating performance for the period (-$124 million), despite strong flown revenue growth, mainly due to the $226 million increase in net fuel cost.

INTERIM DIVIDEND

The Company is declaring an interim dividend of 8 cents per share (tax exempt, one-tier), amounting to $95 million, for the half-year ended 30 September 2018. The interim dividend will be paid on 4 December 2018 to shareholders as of 23 November 2018.

FLEET DEVELOPMENT

The Parent Airline Company took delivery of its final A380-800 during the July-September period. The aircraft entered service during the quarter along with a sixth 787-10 that had been received in the last quarter. Two of seven A350-900ULRs on firm order were added to the fleet and entered service in October 2018. Two A330-300s and one 777-200 were removed from the operating fleet for retirement. As at 30 September 2018, the operating fleet of the Parent Airline Company comprised 110 passenger aircraft (six 787-10s, 45 777s, 19 A330-300s, 19 A380-800s and 21 A350-900s), with an average age of 7 years. Capacity growth for the financial year is estimated to be 5%.

SilkAir removed one A319 from service in preparation for lease return, ending the quarter with 32 aircraft in operation – eight A320s, two A319s, 17 737-800s and five 737 MAX 8s – with an average age of 4 years and 5 months. Year-on-year capacity growth for FY2018/19 is expected to be 4%.

Scoot added a 787-9, as well as three A320s that had been subleased to IndiGo, to its operating fleet during the quarter, bringing the operating fleet count as at 30 September 2018 to 44 aircraft - 18 787s (10 787-8s and eight 787-9s), 24 A320s and two A319s - with an average age of 4 years and 11 months. As part of its narrowbody fleet renewal plan, the first of 39 A320neos was received in October 2018 and made its debut flight to Bangkok. Capacity is forecast to grow by 16% for the fiscal year.

The operating fleet for SIA Cargo remained at seven 747-400 freighters as at 30 September 2018. Capacity is forecast to be flat.

ROUTE DEVELOPMENT

As the launch customer for the ultra-long-range A350-900ULR, the Parent Airline Company commenced the world's longest non-stop flights, between Singapore and Newark Liberty International Airport, on 11 October 2018, while non-stop Singapore-Los Angeles services were launched on 2 November 2018. Frequency on the existing non-stop Singapore-San Francisco route will also be increased from 28 November 2018.

The current Los Angeles via Seoul daily service will make its final departure from Singapore on 30 November 2018. With the introduction of a new Singapore-Seoul service, frequency to South Korea will be maintained at four flights per day.

Riding on the success of the new non-stop US flights, the Parent Airline Company will launch Singapore-Seattle services on 3 September 2019 using A350-900s. It will be the fourth non-stop Singapore-US route, providing more convenient air connectivity between Southeast Asia, South Asia and Australasia and North America.

With these changes, the number of destinations in SIA's network will increase to 64 in 32 countries and territories, including Singapore.

SilkAir flies to 49 destinations in 16 countries, including Singapore, unchanged from last quarter.

Scoot resumed services to Kalibo on 31 October 2018, which had been suspended following the closure of Boracay in April. To cater to demand, services to Perth and various Southeast Asian points will be increased in the second half of the financial year. The carrier's network covers 67 destinations in 18 countries and territories.

Overall, the portfolio of airlines in the Group will serve 140 passenger destinations in 37 countries and territories, including Singapore.

SIA Cargo will continue to pursue charter opportunities and deploy capacity to match demand. The freighter network covers 19 cities in 13 countries and territories, including Singapore.

SUBSEQUENT EVENT

On 25 October 2018, the Company issued $600 million in aggregate principal amount of notes under the Multicurrency Medium Term Note Programme. The notes bear interest at a fixed rate of 3.16 per cent, and will mature on 25 October 2023.

OUTLOOK

Bookings in the coming months are expected to be stronger year-on-year. However, headwinds continue to persist in the form of cost pressures arising from significantly elevated fuel prices compared to a year ago, as well as keen competition in key operating markets. Notwithstanding concerns over global trade tensions, cargo demand in the near term is expected to remain healthy during the seasonal peak.

The Group continues to hedge its fuel requirements. For the second half of the financial year, the Group has hedged 58% of its fuel requirements in MOPS at a weighted average price of USD71, against the current MOPS price of USD87. Longer-dated Brent hedges with maturities extending to the financial year FY2023/24 cover up to 46% of the Group's projected annual fuel consumption, at average prices ranging from USD56 to USD64 per barrel, against the prevailing Brent fuel price of USD73 per barrel [Note 5].

Amid continuing challenges in the operating environment, the SIA Group remains committed to its three-year Transformation programme to enhance customer experience, grow revenue and improve operational efficiency. The programme has been producing positive results in all these areas to date.

The recent introduction of new non-stop services to Los Angeles and New York is a significant milestone, providing customers with more convenient travel options, and strengthening the Airline's competitiveness as well as the Singapore hub. This will be further enhanced next year with the addition of Singapore-Seattle as the fourth non-stop route between Singapore and the important US market.

Note 5: Hedge profile and current price as at 5 November 2018.

The Group has also been significantly enhancing its digital capabilities through a multi-phased programme which has seen great progress so far. The programme encompasses company-wide training programmes and participation by staff in innovation projects across the Group; building digital capabilities through extensive IT-related recruitment and a shift to agile delivery of IT projects; large-scale investment in IT infrastructure; and increased collaboration with global tech leaders, start-ups and research institutes.

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A STAR ALLIANCE MEMBER

GROUP FINANCIAL STATISTICS

	1st Half 2018/19	1st Half 2017/18 [R1]	2nd Quarter 2018/19	2nd Quarter 2017/18
Financial Results ($ million)				
Total revenue	7,906.6	7,712.1	4,062.1	3,847.9
Total expenditure	7,480.6	6,950.4	3,829.2	3,490.8
Operating profit	426.0	761.7	232.9	357.1
Non-operating items	(137.5)	2.1	(128.4)	(10.0)
Profit before taxation	288.5	763.8	104.5	347.1
Profit attributable to Owners of the Company	196.0	631.2	56.4	293.3
Per Share Data				
Earnings per share (cents)				
- Basic [R2]	16.6	53.4	4.8	24.8
- Diluted [R3]	16.5	53.2	4.7	24.7

	As at 30 Sep 2018	As at 31 Mar 2018 [R4]
Financial Position ($ million)		
Share capital	1,856.1	1,856.1
Treasury shares	(171.5)	(183.5)
Capital reserve	(142.4)	(139.4)
Foreign currency translation reserve	(35.6)	(52.4)
Share-based compensation reserve	15.3	79.5
Fair value reserve	1,638.5	313.5
General reserve	10,891.6	10,986.5
Equity attributable to Owners of the Company	14,052.0	12,860.3
Total assets	28,804.6	25,892.5
Total debt	4,481.7	3,127.3
Total debt : equity ratio (times) [R5]	0.32	0.24
Net asset value ($) [R6]	11.87	10.88

[R1] Prior year comparatives have been restated to account for the adoption of IFRS.

[R2] Earnings per share (basic) is computed by dividing profit attributable to the Company by the weighted average number of ordinary shares in issue less treasury shares.

[R3] Earnings per share (diluted) is computed by dividing profit attributable to the Company by the weighted average number of ordinary shares in issue less treasury shares, adjusted for the dilutive effect on the vesting of all outstanding share-based incentive awards granted.

[R4] Balances and figures as at 31 March 2018 have been restated due to the adoption of IFRS.

[R5] Total debt : equity ratio is total debt divided by equity attributable to the Company.

[R6] Net asset value per share is computed by dividing equity attributable to the Company by the number of ordinary shares in issue less treasury shares.

OPERATING STATISTICS

	1st Half 2018/19	1st Half 2017/18 [R5]		Change %	2nd Quarter 2018/19	2nd Quarter 2017/18 [R5]		Change %
SIA								
Passenger Operations								
Passengers carried (thousand)	10,249	9,690	+	5.8	5,234	4,919	+	6.4
Revenue passenger-km (million)	50,602.6	47,754.8	+	6.0	26,173.6	24,578.7	+	6.5
Available seat-km (million)	60,519.6	59,009.7	+	2.6	30,735.7	30,046.8	+	2.3
Passenger load factor (%)	83.6	80.9	+	2.7 pts	85.2	81.8	+	3.4 pts
Passenger yield per passenger-km (cents)	9.9	10.1	-	2.0	9.9	10.0	-	1.0
Revenue per available seat-km (cents/ask)	8.3	8.2	+	1.2	8.4	8.2	+	2.4
Passenger unit cost (cents/ask)	8.2	7.9	+	3.8	8.3	7.9	+	5.1
Passenger unit cost ex-fuel (cents/ask)	5.4	5.5	-	1.8	5.5	5.5		-
Passenger breakeven load factor (%)	82.8	78.2	+	4.6 pts	83.8	79.0	+	4.8 pts
Cargo Operations								
Cargo and mail carried (million kg)	650.3	641.8	+	1.3	332.2	322.9	+	2.9
Cargo load (million tonne-km)	3,492.5	3,575.0	-	2.3	1,771.2	1,791.8	-	1.1
Gross capacity (million tonne-km)	5,591.7	5,513.9	+	1.4	2,790.0	2,800.0	-	0.4
Cargo load factor (%)	62.5	64.8	-	2.3 pts	63.5	64.0	-	0.5 pt
Cargo yield (cents/ltk)	31.6	28.8	+	9.7	32.2	29.3	+	9.9
Cargo unit cost (cents/ctk)	16.4	16.4		-	16.8	16.0	+	5.0
Cargo unit cost ex-fuel (cents/ctk)	10.4	11.0	-	5.5	10.5	10.8	-	2.8
Cargo breakeven load factor (%)	51.9	56.9	-	5.0 pts	52.2	54.6	-	2.4 pts
Overall Operations								
Overall load (million tonne-km)	8,181.0	8,002.4	+	2.2	4,190.2	4,067.1	+	3.0
Overall capacity (million tonne-km)	11,693.1	11,465.7	+	2.0	5,887.9	5,830.9	+	1.0
Overall load factor (%)	70.0	69.8	+	0.2 pt	71.2	69.8	+	1.4 pts
Overall yield (cents/ltk)	74.8	73.0	+	2.5	75.2	73.6	+	2.2
Overall unit cost (cents/ctk)	50.4	48.6	+	3.7	51.2	48.2	+	6.2
Overall breakeven load factor (%)	67.4	66.6	+	0.8 pt	68.1	65.5	+	2.6 pts
SilkAir								
Passengers carried (thousand)	2,429	2,282	+	6.4	1,204	1,165	+	3.3
Revenue passenger-km (million)	4,461.7	4,038.3	+	10.5	2,214.1	2,088.7	+	6.0
Available seat-km (million)	5,883.8	5,520.7	+	6.6	2,887.2	2,796.4	+	3.2
Passenger load factor (%)	75.8	73.1	+	2.7 pts	76.7	74.7	+	2.0 pts
Passenger yield (cents/pkm)	10.6	11.4	-	7.0	10.7	11.1	-	3.6
Revenue per available seat-km (cents/ask)	8.1	8.4	-	3.6	8.2	8.3	-	1.2
Passenger unit cost (cents/ask)	8.4	8.3	+	1.2	8.5	8.2	+	3.7
Passenger unit cost ex-fuel (cents/ask)	6.3	6.4	-	1.6	6.4	6.4		-
Passenger breakeven load factor (%)	79.2	72.8	+	6.4 pts	79.4	73.9	+	5.5 pts

[R5] Prior year unit cost and breakeven load factor have been restated due to the adoption of IFRS.

	1st Half 2018/19	1st Half 2017/18 [R5]		Change %	2nd Quarter 2018/19	2nd Quarter 2017/18 [R5]		Change %
Scoot								
Passengers carried (thousand)	5,160	4,546	+	13.5	2,645	2,293	+	15.4
Revenue passenger-km (million)	14,478.2	12,128.6	+	19.4	7,521.8	6,189.7	+	21.5
Available seat-km (million)	16,759.5	14,407.4	+	16.3	8,681.2	7,336.6	+	18.3
Passenger load factor (%)	86.4	84.2	+	2.2 pts	86.6	84.4	+	2.2 pts
Revenue per revenue seat-km (cents/pkm)	5.6	5.6		-	5.6	5.5	+	1.8
Revenue per available seat-km (cents/ask)	4.8	4.7	+	2.1	4.8	4.6	+	4.3
Cost per available seat-km (cents/ask)	5.1	4.9	+	4.1	5.2	4.8	+	8.3
Cost per available seat-km ex-fuel (cents/ask)	3.4	3.5	-	2.9	3.4	3.5	-	2.9
Breakeven load factor (%)	91.1	87.5	+	3.6 pts	92.9	87.3	+	5.6 pts
Group Airlines (Passenger)								
Passengers carried (thousand)	17,838	16,518	+	8.0	9,083	8,377	+	8.4
Revenue passenger-km (million)	69,542.5	63,921.7	+	8.8	35,909.5	32,857.1	+	9.3
Available seat-km (million)	83,162.9	78,937.8	+	5.4	42,304.1	40,179.8	+	5.3
Passenger load factor (%)	83.6	81.0	+	2.6 pts	84.9	81.8	+	3.1 pts
Passenger yield (cents/pkm)	9.1	9.3	-	2.2	9.0	9.2	-	2.2
Revenue per available seat-km (cents/ask)	7.6	7.5	+	1.3	7.6	7.6		-

[R5] Prior year unit cost and breakeven load factor have been restated due to the adoption of IFRS.

GLOSSARY

SIA

Passenger Operations

Revenue passenger-km	=	Number of passengers carried x distance flown (in km)
Available seat-km	=	Number of available seats x distance flown (in km)
Passenger load factor	=	Revenue passenger-km expressed as a percentage of available seat-km
Passenger yield	=	Passenger revenue from scheduled services divided by revenue passenger-km
Revenue per available seat-km	=	Passenger revenue from scheduled services divided by available seat-km
Passenger unit cost	=	Passenger operating expenditure divided by available seat-km
Passenger unit cost ex-fuel	=	Passenger operating expenditure less fuel cost, divided by available seat-km
Passenger breakeven load factor	=	Passenger unit cost expressed as a percentage of passenger yield. This is the theoretical load factor at which passenger revenue equates to the operating expenditure of passenger operations

Cargo Operations

Cargo load	=	Cargo and mail load carried (in tonnes) x distance flown (in km)
Gross capacity	=	Cargo capacity production (in tonnes) x distance flown (in km)
Cargo load factor	=	Cargo and mail load (in tonne-km) expressed as a percentage of gross capacity (in tonne-km)
Cargo yield	=	Cargo and mail revenue from scheduled services divided by cargo load (in tonne-km)
Cargo unit cost	=	Cargo operating expenditure divided by gross capacity (in tonne-km)
Cargo unit cost ex-fuel	=	Cargo operating expenditure less fuel cost, divided by gross capacity (in tonne-km)
Cargo breakeven load factor	=	Cargo unit cost expressed as a percentage of cargo yield. This is the theoretical load factor at which cargo revenue equates to the operating expenditure of cargo operations

Overall Operations

Overall load	=	Passenger, cargo and mail load carried (in tonnes) x distance flown (in km)
Overall capacity	=	Passenger and cargo capacity production (in tonnes) x distance flown (in km)
Overall load factor	=	Overall load (in tonne-km) expressed as a percentage of overall capacity (in tonne-km)
Overall yield	=	Passenger, cargo and mail flown revenue from scheduled services divided by overall load (in tonne-km)
Overall unit cost	=	Operating expenditure divided by overall capacity
Overall breakeven load factor	=	Overall unit cost expressed as a percentage of overall yield. This is the theoretical load factor at which flown revenue equates to the operating expenditure.

SilkAir

Revenue passenger-km	=	Number of passengers carried x distance flown (in km)
Available seat-km	=	Number of available seats x distance flown (in km)
Passenger load factor	=	Revenue passenger-km expressed as a percentage of available seat-km
Passenger yield	=	Passenger revenue from scheduled services divided by revenue passenger-km
Revenue per available seat-km	=	Passenger revenue from scheduled services divided by available seat-km
Passenger unit cost	=	Operating expenditure (less cargo and mail revenue) divided by available seat-km
Passenger unit cost ex-fuel	=	Operating expenditure (less cargo, mail revenue and fuel) divided by available seat-km
Passenger breakeven load factor	=	Passenger unit cost expressed as a percentage of passenger yield. This is the theoretical load factor at which passenger revenue equates to the operating expenditure (less cargo and mail revenue)

Scoot

Revenue passenger-km	=	Number of passengers carried x distance flown (in km)
Available seat-km	=	Number of available seats x distance flown (in km)
Passenger load factor	=	Revenue passenger-km expressed as a percentage of available seat-km
Revenue per revenue seat-km	=	Passenger revenue from scheduled services divided by revenue passenger-km
Revenue per available seat-km	=	Passenger revenue from scheduled services divided by available seat-km
Cost per available seat-km	=	Operating expenditure divided by available seat-km
Cost per available seat-km ex-fuel	=	Operating expenditure less fuel divided by available seat-km

Group Airlines (Passenger)

Revenue passenger-km	=	Number of passengers carried x distance flown (in km)
Available seat-km	=	Number of available seats x distance flown (in km)
Passenger load factor	=	Revenue passenger-km expressed as a percentage of available seat-km
Passenger breakeven load factor	=	Cost per available seat-km expressed as a percentage of revenue per revenue seat-km. This is the theoretical load factor at which passenger revenue equates to the operating expenditure
Passenger yield	=	Passenger revenue from scheduled services divided by revenue passenger-km
Revenue per available seat-km	=	Passenger revenue from scheduled services divided by available seat-km

PARENT AIRLINE COMPANY FINANCIAL RESULTS

	1st Half 2018/19 (Actual)	1st Half 2017/18 [R1] (Pro Forma Restated)	2nd Quarter 2018/19 (Actual)	2nd Quarter 2017/18 [R1] (Pro Forma Restated)
Financial Results ($ million)				
Total revenue	6,373	6,296	3,280	3,147
Fuel costs	1,828	1,549	944	777
Staff costs	940	910	491	472
Depreciation	522	469	268	239
Handling charges	596	606	301	300
Aircraft maintenance and overhaul costs	385	407	176	190
Inflight meals and other passenger costs	330	328	170	162
Rentals on leased aircraft	235	307	105	150
Airport and overflying charges	341	338	172	170
Sales costs	319	287	182	164
Communication and information technology costs	57	48	31	24
Other costs	402	358	203	180
Total expenditure	5,955	5,607	3,043	2,828
Operating profit	418	689	237	319

[R1] Prior year comparatives have been restated to account for the adoption of IFRS.