



**UNAUDITED RESULTS FOR FOURTH QUARTER AND FULL YEAR
ENDED 31 MARCH 2016**

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

CONSOLIDATED INCOME STATEMENT

For the fourth quarter and full year ended 31 March 2016 (in \$ million)

	GROUP			
	4 th Quarter		Full Year	
	2015-16	2014-15	2015-16	2014-15
Revenue	417.6	425.1	1,698.2	1,753.2
Expenditure				
Staff costs	(212.6)	(193.6)	(825.9)	(800.6)
Cost of raw materials	(62.8)	(84.0)	(282.7)	(349.3)
Licence fees	(16.3)	(18.9)	(68.0)	(78.1)
Depreciation and amortisation charges	(18.4)	(17.3)	(70.4)	(68.2)
Company premise and utilities expenses	(23.1)	(30.1)	(108.1)	(125.0)
Other costs	(34.7)	(36.5)	(128.4)	(154.0)
	(367.9)	(380.4)	(1,483.5)	(1,575.2)
Operating profit	49.7	44.7	214.7	178.0
Interest on borrowings	(0.2)	(0.2)	(1.1)	(1.2)
Interest income	0.9	0.6	3.5	1.6
Dividends from long-term investment, gross	–	0.7	–	0.7
Gain/(loss) on disposal of property, plant and equipment	0.5	(1.0)	(0.3)	(2.2)
Share of results of associates/joint ventures, net of tax	11.7	13.1	48.0	48.1
Impairment of assets held for sale	–	–	–	(0.2)
Impairment of property, plant and equipment	(2.1)	–	(2.1)	–
Net gain from transfer of business to a joint venture	–	–	2.5	–
Profit before tax	60.5	57.9	265.2	224.8
Income tax expense	(10.8)	(8.9)	(46.8)	(34.1)
Profit for the period	49.7	49.0	218.4	190.7
Profit attributable to:				
Owners of the Company	50.7	51.6	220.6	195.7
Non-controlling interests	(1.0)	(2.6)	(2.2)	(5.0)
	49.7	49.0	218.4	190.7
Underlying net profit ⁽¹⁾	50.7	51.6	218.1	195.9

1. Underlying net profit refers to net profit attributable to owners of the Company excluding the following one-off items: (i) Net gain from transfer of business to a joint venture (NIL in 4Q and \$2.5 million in FY15-16, NIL in 4Q and FY14-15). (ii) Impairment loss on carrying value of Assets Held for Sale (NIL in 4Q and FY15-16, NIL in 4Q and \$0.2 million in FY14-15).

Notes - Profit for the period is arrived at after crediting/(charging) the following items (in \$ million):

	GROUP			
	4 th Quarter		Full Year	
	2015-16	2014-15	2015-16	2014-15
Foreign exchange (loss)/gain, net	(0.4)	1.0	0.4	2.4
Allowance of doubtful debts, net	(0.7)	(0.5)	(1.1)	(0.6)
Write-off for stock obsolescence, net	(0.2)	(0.2)	(0.3)	(0.7)
Overprovision of taxation in respect of prior years	1.1	0.6	0.7	2.7

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the fourth quarter and full year ended 31 March 2016 (in \$ million)

	GROUP			
	4 th Quarter		Full Year	
	2015-16	2014-15	2015-16	2014-15
Profit for the period	49.7	49.0	218.4	190.7
Other comprehensive income				
<u>Items that will not be reclassified to profit or loss:</u>				
Actuarial (loss)/gain on defined benefit plan	(6.2)	4.6	(6.2)	4.6
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Net fair value changes on available-for-sale assets	0.2	–	(0.1)	–
Foreign currency translation	(12.0)	12.3	(14.3)	4.2
Reclassification of foreign currency translation to profit or loss	–	–	–	0.2
	(11.8)	12.3	(14.4)	4.4
Other comprehensive income for the period, net of tax	(18.0)	16.9	(20.6)	9.0
Total comprehensive income for the period	31.7	65.9	197.8	199.7
Total comprehensive income attributable to:				
Owners of the Company	33.4	65.1	199.6	208.2
Non-controlling interests	(1.7)	0.8	(1.8)	(8.5)
Total comprehensive income for the period	31.7	65.9	197.8	199.7

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

STATEMENTS OF FINANCIAL POSITION
As at 31 March 2016 (in \$ million)

	GROUP		COMPANY	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
Equity attributable to owners of the Company				
Share capital	367.9	367.9	367.9	367.9
Treasury shares	(47.2)	(56.4)	(47.2)	(56.4)
Share-based compensation reserve	12.4	14.3	12.4	14.3
Statutory reserve	8.1	7.8	–	–
Foreign currency translation reserve	(126.6)	(109.9)	–	–
Revenue reserve	1,278.9	1,218.0	1,100.1	1,061.4
Other reserves*	(2.7)	(0.6)	(7.3)	(5.3)
	<u>1,490.8</u>	<u>1,441.1</u>	<u>1,425.9</u>	<u>1,381.9</u>
Non-controlling interests	74.3	76.5	–	–
Total equity	<u>1,565.1</u>	<u>1,517.6</u>	<u>1,425.9</u>	<u>1,381.9</u>
Non-current assets				
Property, plant and equipment	516.8	551.7	14.0	7.9
Investment properties	13.9	7.0	262.6	283.9
Intangible assets	163.7	165.5	5.4	7.6
Investment in subsidiaries	–	–	541.1	541.0
Investment in associates	480.2	437.9	272.8	264.1
Investment in joint ventures	65.9	26.9	12.0	12.0
Long-term investments	8.3	8.4	7.9	7.9
Loan to subsidiaries	–	–	306.7	234.3
Deferred tax assets	15.5	18.9	–	–
Defined benefit plan	–	1.9	–	–
Other non-current assets	11.8	8.8	–	–
	<u>1,276.1</u>	<u>1,227.0</u>	<u>1,422.5</u>	<u>1,358.7</u>
Current assets				
Trade and other receivables	277.4	282.6	45.9	32.6
Prepayments and deposits	18.4	17.1	2.3	3.6
Amounts due from associates/joint ventures	10.4	2.2	1.9	2.2
Loan to subsidiaries	–	–	6.7	6.8
Inventories	22.4	18.7	0.3	0.3
Cash and short-term deposits	489.9	410.9	319.1	289.8
Assets of disposal groups classified as held for sale	11.1	61.2	–	–
	<u>829.6</u>	<u>792.7</u>	<u>376.2</u>	<u>335.3</u>
Current liabilities				
Trade and other payables	309.0	287.3	235.9	185.4
Income tax payable	51.4	42.9	13.2	9.8
Term loans	109.6	15.4	93.6	–
Finance leases	0.3	0.2	–	–
	<u>470.3</u>	<u>345.8</u>	<u>342.7</u>	<u>195.2</u>
Net current assets	359.3	446.9	33.5	140.1
Non-current liabilities				
Deferred tax liabilities	55.4	58.8	26.5	27.7
Term loans	–	89.6	–	89.2
Finance leases	0.8	0.1	–	–
Defined benefit plan	3.1	–	–	–
Other long-term liabilities	11.0	7.8	3.6	–
	<u>70.3</u>	<u>156.3</u>	<u>30.1</u>	<u>116.9</u>
Net assets	<u>1,565.1</u>	<u>1,517.6</u>	<u>1,425.9</u>	<u>1,381.9</u>

* Other Reserves consist of Gain/(Loss) on Reissuance of Treasury Shares, Capital Reserve and Fair Value Reserve.

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

(In \$ million)

Amount repayable in one year or less, or on demand

<u>As at 31.03.2016</u>		<u>As at 31.03.2015</u>	
<u>Secured</u> *	<u>Unsecured</u>	<u>Secured</u> *	<u>Unsecured</u>
0.3	109.6	12.0	3.6

Amount repayable after one year

<u>As at 31.03.2016</u>		<u>As at 31.03.2015</u>	
<u>Secured</u> *	<u>Unsecured</u>	<u>Secured</u> *	<u>Unsecured</u>
-	0.8	0.4	89.3

Details of any collateral

* Secured by property, plant and equipment and other assets belonging to a subsidiary in the Group.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
For financial year ended 31 March 2016 (in \$ million)**

	GROUP	
	Full Year	
	2015-16	2014-15
<u>Cash flows from operating activities</u>		
Profit before tax	265.2	224.8
Adjustments for:		
Interest and investment income, net	(2.4)	(1.1)
Depreciation and amortisation charges	70.4	68.2
Unrealised foreign exchange gain	(0.4)	(2.4)
Loss on disposal of property, plant and equipment	0.3	2.2
Share of results of associates/joint ventures, net of tax	(48.0)	(48.1)
Share-based payment expense	7.3	6.3
Impairment of assets held for sale	–	0.2
Impairment of property, plant and equipment	2.1	–
Net gain from transfer of business to a joint venture	(2.5)	–
Other non-cash items	1.4	1.4
Operating cash flows before working capital changes	293.4	251.5
Changes in working capital:		
Decrease in receivables	2.6	4.3
Increase in prepayments and deposits	(1.9)	(3.7)
Decrease in inventories	5.3	3.1
Increase in payables	18.7	16.3
(Increase)/decrease in amounts due from associates/ joint ventures	(8.2)	1.3
Cash generated from operations	309.9	272.8
Interest paid to third parties	(0.9)	(1.1)
Income taxes paid	(35.9)	(35.3)
Net cash from operating activities	273.1	236.4
<u>Cash flows from investing activities</u>		
Capital expenditure	(51.1)	(61.3)
Dividends from associates/joint ventures	33.6	88.7
Dividends from long-term investment, gross	0.7	1.2
Acquisition of interest in associates	(42.5)	–
Net cash flow from the investment in a joint venture	(2.4)	–
Proceeds from disposal of a subsidiary	–	2.7
Proceeds from disposal of interest in associates	–	24.7
Proceeds from disposal of property, plant and equipment	2.0	0.5
Interest received from deposits	3.4	1.6
Net cash (used in)/from investing activities	(56.3)	58.1
<u>Cash flows from financing activities</u>		
Repayment of term loans	(0.5)	(1.1)
Repayment of finance leases and related charges	(0.5)	(0.5)
Proceeds from borrowings	1.4	1.1
Proceeds from exercise of share options	11.2	5.8
Dividends paid	(155.5)	(145.6)
Purchase of treasury shares	(12.9)	(54.9)
Repurchase of shares by a subsidiary	–	(5.5)
Capital contributions from non-controlling interests	0.5	2.0
Dividends paid to non-controlling interests	(0.9)	(0.9)
Net cash used in financing activities	(157.2)	(199.6)
Net increase in cash and cash equivalents	59.6	94.9
Effect of exchange rate changes	0.6	(4.8)
Cash and cash equivalents at beginning of financial year	429.7	339.6
Cash and cash equivalents at end of financial year	489.9	429.7

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

STATEMENTS OF CHANGES IN EQUITY

For the full year ended 31 March 2016 (in \$ million)

GROUP	Attributable to owners of the Company											
	Share Capital	Treasury Shares	Share-Based Compensation Reserve	Statutory Reserve*	Foreign Currency Translation Reserve	Revenue Reserve	Capital Reserve	Gain/(Loss) on Reissuance of Treasury Shares	Fair Value Reserve	Total	Non-controlling Interests	Total Equity
Balance at 1 April 2015	367.9	(56.4)	14.3	7.8	(109.9)	1,218.0	4.6	(5.3)	0.1	1,441.1	76.5	1,517.6
Profit for the year	–	–	–	–	–	220.6	–	–	–	220.6	(2.2)	218.4
Other comprehensive income for the year	–	–	–	–	(16.7)	(4.2)	–	–	(0.1)	(21.0)	0.4	(20.6)
Total comprehensive income for the year	–	–	–	–	(16.7)	216.4	–	–	(0.1)	199.6	(1.8)	197.8
Contributions by and distributions to owners												
Share-based payment	–	–	6.7	–	–	0.6	–	–	–	7.3	–	7.3
Share options lapsed	–	–	(0.3)	–	–	0.3	–	–	–	–	–	–
Treasury shares reissued pursuant to equity compensation plans	–	22.1	(8.3)	–	–	(0.6)	–	(2.0)	–	11.2	–	11.2
Purchase of treasury shares	–	(12.9)	–	–	–	–	–	–	–	(12.9)	–	(12.9)
Dividends, net	–	–	–	–	–	(155.5)	–	–	–	(155.5)	–	(155.5)
Total contributions by and distributions to owners	–	9.2	(1.9)	–	–	(155.2)	–	(2.0)	–	(149.9)	–	(149.9)
Others												
Capital contributions from non-controlling interests	–	–	–	–	–	–	–	–	–	–	0.5	0.5
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(0.9)	(0.9)
Transfer to statutory reserve	–	–	–	0.3	–	(0.3)	–	–	–	–	–	–
Balance at 31 March 2016	367.9	(47.2)	12.4	8.1	(126.6)	1,278.9	4.6	(7.3)	–	1,490.8	74.3	1,565.1

* Certain countries in which some of the associates are incorporated legally require statutory reserves to be set aside. The laws of the countries restrict the distribution and use of these statutory reserves.

STATEMENTS OF CHANGES IN EQUITY (cont'd)
For the full year ended 31 March 2016 (in \$ million)

GROUP	Attributable to owners of the Company											
	Share Capital	Treasury Shares	Share-Based Compensation Reserve	Statutory Reserve*	Foreign Currency Translation Reserve	Revenue Reserve	Capital Reserve	Gain/(Loss) on Reissuance of Treasury Shares	Fair Value Reserve	Total	Non-controlling Interests	Total Equity
Balance at 1 April 2014	367.9	(15.7)	13.6	7.9	(119.5)	1,164.6	–	(2.1)	0.1	1,416.8	97.6	1,514.4
Profit for the year	–	–	–	–	–	195.7	–	–	–	195.7	(5.0)	190.7
Other comprehensive income for the year	–	–	–	–	9.6	2.9	–	–	–	12.5	(3.5)	9.0
Total comprehensive income for the year	–	–	–	–	9.6	198.6	–	–	–	208.2	(8.5)	199.7
Contributions by and distributions to owners												
Share-based payment	–	–	6.3	–	–	–	–	–	–	6.3	–	6.3
Share options lapsed	–	–	(0.4)	–	–	0.4	–	–	–	–	–	–
Treasury shares reissued pursuant to equity compensation plans	–	14.2	(5.2)	–	–	–	–	(3.2)	–	5.8	–	5.8
Purchase of treasury shares	–	(54.9)	–	–	–	–	–	–	–	(54.9)	–	(54.9)
Dividends, net	–	–	–	–	–	(145.6)	–	–	–	(145.6)	–	(145.6)
Total contributions by and distributions to owners	–	(40.7)	0.7	–	–	(145.2)	–	(3.2)	–	(188.4)	–	(188.4)
Others												
Repurchase of shares by a subsidiary	–	–	–	–	–	–	4.6	–	–	4.6	(10.1)	(5.5)
Disposal of a subsidiary	–	–	–	–	–	–	–	–	–	–	(3.6)	(3.6)
Disposal of associates	–	–	–	(0.4)	–	0.3	–	–	–	(0.1)	–	(0.1)
Capital contributions from non-controlling interests	–	–	–	–	–	–	–	–	–	–	2.0	2.0
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(0.9)	(0.9)
Transfer to statutory reserve	–	–	–	0.3	–	(0.3)	–	–	–	–	–	–
Balance 31 March 2015	367.9	(56.4)	14.3	7.8	(109.9)	1,218.0	4.6	(5.3)	0.1	1,441.1	76.5	1,517.6

* Certain countries in which some of the associates are incorporated legally require statutory reserves to be set aside. The laws of the countries restrict the distribution and use of these statutory reserves.

STATEMENTS OF CHANGES IN EQUITY (cont'd)
For the full year ended 31 March 2016 (in \$ million)

<u>COMPANY</u>	Share Capital	Treasury Shares	Share-Based Compensation Reserve	Revenue Reserve	Gain/(Loss) on Reissuance of Treasury Shares	Total Equity
Balance at 1 April 2015	367.9	(56.4)	14.3	1,061.4	(5.3)	1,381.9
Profit for the year	–	–	–	193.9	–	193.9
Total comprehensive income for the year	–	–	–	193.9	–	193.9
<u>Contributions by and distributions to owners</u>						
Share-based payment	–	–	6.7	0.6	–	7.3
Share options lapsed	–	–	(0.3)	0.3	–	–
Treasury shares reissued pursuant to equity compensation plans	–	22.1	(8.3)	(0.6)	(2.0)	11.2
Purchase of treasury shares	–	(12.9)	–	–	–	(12.9)
Dividends, net	–	–	–	(155.5)	–	(155.5)
Total contributions by and distributions to owners	–	9.2	(1.9)	(155.2)	(2.0)	(149.9)
Balance at 31 March 2016	<u>367.9</u>	<u>(47.2)</u>	<u>12.4</u>	<u>1,100.1</u>	<u>(7.3)</u>	<u>1,425.9</u>
Balance at 1 April 2014	367.9	(15.7)	13.6	953.2	(2.1)	1,316.9
Profit for the year	–	–	–	253.4	–	253.4
Total comprehensive income for the year	–	–	–	253.4	–	253.4
<u>Contributions by and distributions to owners</u>						
Share-based payment	–	–	6.3	–	–	6.3
Share options lapsed	–	–	(0.4)	0.4	–	–
Treasury shares reissued pursuant to equity compensation plans	–	14.2	(5.2)	–	(3.2)	5.8
Purchase of treasury shares	–	(54.9)	–	–	–	(54.9)
Dividends, net	–	–	–	(145.6)	–	(145.6)
Total contributions by and distributions to owners	–	(40.7)	0.7	(145.2)	(3.2)	(188.4)
Balance at 31 March 2015	<u>367.9</u>	<u>(56.4)</u>	<u>14.3</u>	<u>1,061.4</u>	<u>(5.3)</u>	<u>1,381.9</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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

SHARE CAPITAL AND OPTIONS ON SHARES IN THE COMPANY

(i) Employee Share Option Plan

During the financial year 2015-16, 4,834,000 options were exercised under the SATS 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.

As at 31 March 2016, the number of outstanding share options was 6,208,785 (31 March 2015: 11,697,085).

The movement of share options of the Company during the financial year 2015-16 was as follows:

Date of grant	Balance at 1.4.2015	Forfeited/ Lapsed	Exercised	Balance at 31.3.2016	Exercise price	Expired date
1.7.2005	1,719,000	(374,300)	(1,344,700)	–	\$1.97	30.6.2015
3.7.2006	1,569,585	(52,200)	(630,500)	886,885	\$1.80	02.7.2016
2.7.2007	6,225,600	(158,000)	(2,303,000)	3,764,600	\$2.76	01.7.2017
1.7.2008	2,182,900	(69,800)	(555,800)	1,557,300	\$1.92	30.6.2018
	<u>11,697,085</u>	<u>(654,300)</u>	<u>(4,834,000)</u>	<u>6,208,785</u>		

The Company has ceased to issue further grants of share options since the last grant in July 2008.

SHARE CAPITAL AND OPTIONS ON SHARES IN THE COMPANY (cont'd)

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

Management employees are entitled to two share-based incentive plans, the RSP and PSP, which were approved by the shareholders of the Company on 19 July 2005. Both share plans which expired on July 2015 were subsequently approved during the 41st Annual General Meeting held on 23 July 2014 for further extension of 10 years to July 2025.

For grants from FY 2010-11 to FY 2012-13

RSP award is subject to yearly achievement of financial performance conditions and has an equal vesting over a four-year period. The number of restricted shares awarded is based on individual and corporate performance. PSP award is subject to specified performance conditions over a three-year period. The number of performance shares awarded is based on individual and corporate performance and the final number of performance shares awarded could range from 0% to 200% of the initial grant of the performance shares, subject to achievement of the pre-determined targets.

For grants in FY2013-14

The RSP award is subject to the achievement of the pre-determined target over a one-year period and has an equal vesting over a three-year period. The number of restricted shares awarded is based on individual and corporate performance and the final number of restricted shares could range between 0% and 120% of the initial grant of the restricted shares. PSP has a performance period of three years. The number of performance shares awarded is based on individual and corporate performance and the final performance shares awarded could range between 0% and 150% of the initial grant, subject to achievement of the pre-determined targets.

The RSP award dated 16 July 2013 was not subject to any performance conditions and had vested equally over a two-year period.

For grants in FY2014-15 to FY2015-16

The RSP award is subject to the achievement of the pre-determined target over a one-year period and has an equal vesting over a three-year period. The number of restricted shares awarded is based on individual and corporate performance and the final number of restricted shares could range between 0% and 120% of the initial grant of the restricted shares. PSP has a performance period of three years. The number of performance shares awarded is based on individual and corporate performance and the final performance shares awarded could range between 0% and 150% of the initial grant, subject to achievement of the pre-determined targets.

The RSP award dated 17 November 2015 was subject to no performance condition. As part of SG50 celebrations, approval was granted by the Remuneration Human Resource Committee ("RHRC") to award 50 SATS remuneration shares to each eligible non-management employees to recognise their contributions. A total of 197,900 shares were awarded to the eligible employees on 17 November 2015.

SHARE CAPITAL AND OPTIONS ON SHARES IN THE COMPANY (cont'd)

As at 31 March 2016, the number of shares outstanding under the Company's RSP and PSP were 3,186,753 and 3,771,300 (31 March 2015: 3,479,694 and 3,232,155) respectively.

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

RSP

Date of grant	Balance at 1.4.2015 / Date of grant	Number of Restricted Shares			Balance at 31.3.2016
		Vested	Forfeited	Adjustments [#]	
01.08.2011	49,166	(49,166)	–	–	–
03.08.2011	204,244	(202,892)	(1,352)	–	–
01.08.2012	394,253	(215,722)	(13,673)	–	164,858
11.10.2012	23,095	(11,600)	–	–	11,495
16.07.2013	103,536	(103,536)	–	–	–
15.11.2013	969,900	(497,700)	(58,100)	–	414,100
03.12.2013	109,500	(54,800)	–	–	54,700
06.08.2014	1,626,000	(598,800)	(137,500)	236,400	1,126,100
03.08.2015	1,560,500	–	(145,000)	–	1,415,500
17.11.2015	197,900	(197,900)	–	–	–
	<u>5,238,094</u>	<u>(1,932,116)</u>	<u>(355,625)</u>	<u>236,400</u>	<u>3,186,753</u>

[#] Adjustments due to performance factor at the end of the performance period upon meeting the stated performance target.

PSP

Date of grant	Balance at 1.4.2015 / Date of grant	Number of Performance Shares			Balance at 31.3.2016
		Vested	Forfeited	Adjustments [#]	
11.03.2013	659,155	(608,000)	(7,612)	(43,543)	–
15.11.2013	874,000	–	(281,700)	–	592,300
03.12.2013	326,000	–	–	–	326,000
20.10.2014	1,373,000	–	(230,000)	–	1,143,000
02.11.2015	1,810,000	–	(100,000)	–	1,710,000
	<u>5,042,155</u>	<u>(608,000)</u>	<u>(619,312)</u>	<u>(43,543)</u>	<u>3,771,300</u>

[#] Adjustments due to performance factor at the end of the performance period upon meeting the stated performance targets.

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 2016	As at 31 March 2015
1,109,002,942	1,105,161,426

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

Group and Company Treasury Shares	Number of Shares		\$ million	
	2015-16	2014-15	2015-16	2014-15
Balance at 1 April	18,894,849	5,120,201	56.4	15.7
Purchases during the year	3,532,600	18,446,700	12.9	54.9
Issuance of treasury shares pursuant to equity compensation plans	(7,374,116)	(4,672,052)	(22.1)	(14.2)
Balance at 31 March	15,053,333	18,894,849	47.2	56.4

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

The figures have not been audited nor reviewed.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those of the audited financial statements as at 31 March 2015 except for the adoption of the Financial Reporting Standards (FRS) that are mandatory for financial years beginning on or after 1 April 2015. The adoption of these FRS has no significant impact on the financial statements.

- 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.

Per indicated in Note 4 above.

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

	GROUP			
	4th Quarter		Full Year	
	2015-16	2014-15	2015-16	2014-15
Earnings per share based on net profit attributable to owners of the Company (cents):				
(i) Basic *	4.6	4.7	19.9	17.5
(ii) Diluted **	4.5	4.6	19.7	17.4

* Based on weighted average number of fully paid shares in issue.

** Based on weighted average number of fully paid shares in issue after adjusting for dilution of shares under the various employee share plans.

- 7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	GROUP		COMPANY	
	As at 31.3.2016	As at 31.3.2015	As at 31.3.2016	As at 31.3.2015
Net asset value per ordinary share (cents)	134.4	130.4	128.6	125.0

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) 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; and (b) 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

Fourth Quarter FY2015-16

Group net profit attributable to owners of the Company for the fourth quarter was \$50.7 million, \$0.9 million or 1.7% lower than the corresponding quarter last year.

Compared to the same quarter last year, Group revenue fell \$7.5 million or 1.8% to \$417.6 million. The revenue from Food Solutions dropped \$18.6 million or 7.4% to

\$232.3 million, due primarily to the transfer of food distribution business to the joint venture company, SATS BRF Food Pte. Ltd. (“SBRF”) in June 2015 and the weakening of the Japanese Yen. Excluding the transfer of food distribution revenue to SBRF, the Group’s revenue would have increased \$27.9 million or 6.6% while the Food Solutions’ revenue increase would have been \$16.8 million or 6.7%. Gateway Services’ revenue had also increased \$10.8 million or 6.2% to \$183.8 million.

Group expenditure dropped \$12.5 million or 3.3% to \$367.9 million. Most expense categories, except for staff costs and depreciation and amortisation charges, have recorded reductions in expenses. Staff costs increased \$19 million mainly due to higher accrual of staff expenses and contract services while the increases in depreciation and amortisation charges were in line with additional capital expenditure. On the other hand, cost of raw materials fell \$21.2 million in line with lower revenue, mainly attributed to the transfer of the food distribution business to SBRF. Licence fees declined \$2.6 million due to rebates received while company premise and utilities expenses dropped \$7 million from decline in utility rates, usage as well as adjustments to rental rates. Reductions in other costs were in fuel and gas costs, distribution charges, sales and marketing expenses and rental of equipment.

Operating profit for the quarter was \$49.7 million, an increase of \$5 million or 11.2% over the same quarter last year, with expenditure dropping at a faster rate than the revenue.

Share of after-tax profits from associates/joint ventures for the fourth quarter was \$11.7 million, \$1.4 million or 10.7% lower than the corresponding quarter last year.

The Group recorded an impairment of property, plant and equipment of \$2.1 million in this quarter, mainly from the fair value adjustments of certain non-core assets in Japan.

Revenue by business segment is summarised below:

	Revenue				
	4Q FY2015-16	%	4Q FY2014-15	%	Growth
	\$m		\$m		%
Food Solutions	232.3	56	250.9	59	(7.4)
Gateway Services	183.8	44	173.0	41	6.2
Corporate	1.5	–	1.2	–	25.0
	417.6	100	425.1	100	(1.8)

Full Year FY2015-16

Group net profit attributable to owners of the Company for the financial year FY2015-16 was \$220.6 million, \$24.9 million or 12.7% higher than last year. The underlying net profit was \$218.1 million, \$22.2 million or 11.3% higher than last year.

Compared to last year, Group’s revenue fell \$55 million or 3.1% to \$1,698.2 million. The drop was mainly from Food Solutions where revenue declined \$84.1 million or 8% to \$967.4 million, due to transfer of the food distribution revenue to SBRF, weakening of the Japanese Yen and the loss of revenue from the divestment of its Australian subsidiary, Urangan Fisheries Pty Ltd. Excluding the food distribution revenue transferred to SBRF and divestment of Urangan, the Group’s revenue would have increased \$53.2 million or 3% while the Food Solutions’ revenue increase would have been \$24.1 million or 2.3%. Gateway Services’ revenue grew \$28.9 million or 4.1% to \$725.9 million compared to last year.

Group expenditure dropped \$91.7 million or 5.8% to \$1,483.5 million. Similar to the fourth quarter, all expense categories have recorded reductions except for staff costs and depreciation and amortisation charges. Staff costs increased \$25.3 million or 3.2% due to higher expenses incurred to support the underlying growth in business volumes and to improve the service level. Depreciation and amortisation charges increased \$2.2 million in line with additional capital expenditure. Conversely, cost of raw materials fell \$66.6 million mainly due to the transfer of food distribution business while licence fees and company premise and utilities expenses declined \$10.1 million and \$16.9 million respectively due to similar reasons explained for the fourth quarter. Other costs declined \$25.6 million mainly from reductions in fuel and gas costs, transportation and distribution charges, sales and marketing expenses, rental of equipment, professional fees and maintenance expenses.

With operating expenses falling at a faster pace than revenue yielding positive results, the Group's operating profit for the financial year was \$214.7 million, a significant increase of \$36.7 million or 20.6% over last year.

Interest income for the year increased \$1.9 million mainly due to higher interest from deposits.

Share of after-tax profits from associates/joint ventures for the full year was \$48 million, reflecting a slight decline of \$0.1 million or 0.2% compared to last year. The Food Solutions' associates/joint ventures have shown better performance while the Gateway's associates/joint ventures' performance has deteriorated slightly.

The impairment of property, plant and equipment of \$2.1 million refers to the impairment in the fourth quarter as explained above.

On 3 June 2015, the Group completed the transfer of the said food distribution business to the joint venture company, SBRF, and the sale of 49% stake in SBRF to BRF GmbH. SBRF has since been accounted for as a Joint Venture Company. In line with the above transfer and sale, the Group recorded a "net gain from transfer of business to a joint venture" of \$2.5 million, comprising the fair value gain of \$13.3 million on re-measurement of the retained interest in SBRF and the loss on disposal of interest in SBRF of \$10.8 million.

Tax expense was \$12.7 million higher than last year mainly in line with higher profit, tax adjustments on the transfer of assets to SBRF and some deferred tax adjustments.

Revenue by business segment is summarised below:

	Revenue				
	FY2015-16	%	FY2014-15	%	Growth
	\$m		\$m		%
Food Solutions	967.4	57	1,051.5	60	(8.0)
Gateway Services	725.9	43	697.0	40	4.1
Corporate	4.9	-	4.7	-	4.3
	1,698.2	100	1,753.2	100	(3.1)

Statement of Financial Position Review

Total equity of the Group stood at \$1,565.1 million as at 31 March 2016, an increase of \$47.5 million compared to \$1,517.6 million as at 31 March 2015. The increase in equity was mainly attributed to the profit generated during the year and the reduction in treasury shares following issuance of shares under the equity compensation plans. This was partially offset by the dividend payment of \$155.5 million to shareholders during the year and higher foreign currency translation reserve losses.

The increase in non-current assets of \$49.1 million to \$1,276.1 million was mainly due to the increase in investment in associates/joint ventures by \$81.3 million, namely investment for 49% stake in Brahim's Airline Catering Holdings Sdn Bhd, acquisition of additional 13% equity interest in MacroAsia Catering Services, Inc as well as the investment in SBRF. Investment properties had also increased by \$6.9 million mainly due to the lease of some of the properties to SBRF following the transfer of the food distribution business. The above increases were partly offset by the reduction in property, plant and equipment of \$34.9 million.

Current assets were \$36.9 million higher primarily due to the increase in cash and short-term deposits by \$79 million, higher amounts due from associates/joint ventures of \$8.2 million and increase in inventories by \$3.7 million. These increases were partly offset by lower assets of disposal groups classified as held for sale, which fell by \$50.1 million as well as the drop in trade and other receivables by \$5.2 million. The assets held for sale as at 31 March 2016 refers to the Group's properties pending sale completion while such assets as at 31 March 2015 refers to assets identified to be transferred to SBRF in line with the business transfer, which was completed subsequently in June 2015.

Cash and short-term deposits increased \$79 million to \$489.9 million as at 31 March 2016. The increase was mainly due to cash generated from operations, dividends received from associates/joint ventures, proceeds from exercise of share options and the classification of cash balances of \$18.8 million to assets of disposal groups classified as held for sale as at 31 March 2015. The above increases were partly offset by dividends paid to shareholders, capital expenditure, investments in associates/joint ventures and purchase of treasury shares.

Total Group's total liabilities were \$540.6 million as at 31 March 2016, \$38.5 million higher compared to the balance as at 31 March 2015. The increase was across all classes of liabilities except for deferred tax liabilities.

Cash Flows Review

In FY2015-16, net cash from operating activities of \$273.1 million was higher compared to last financial year due to the higher profit, partly offset by movement in working capital.

Net cash used in investing activities for FY2015-16 was higher by \$114.4 million compared to last financial year mainly due to investments in associates/joint ventures, lower dividends received from associates/joint ventures and absence of last year's proceeds from disposal of interest in associated companies. These increases in outflow were partly mitigated by the lower capital expenditure compared to the previous financial year.

The cash used in financing activities for FY2015-16 was lower than the last financial year by \$42.4 million. The decrease in outflows were due to the reduction in purchase of treasury shares, absence of prior year's repurchase of shares by a subsidiary and higher proceeds from exercise of share options. These reductions in outflows were partly offset by the higher dividends paid to shareholders in this financial year.

9 Where 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 the announcement of the significant trends and 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

Our focus on productivity from scale and use of technology will continue to position us well to weather global economic and political uncertainties as well as intense competition. Airline load factors are improving although airline yields are still weak.

Investments in technology will bring more value to our customers as we connect our services across our operations in Asia.

While our aviation business in Singapore remains a pillar of strength, we have been developing our non-aviation business and expanding across the region. The growth of tourism in the region as well as demand for safe, high quality food from the burgeoning urban populations of Asia are also creating new growth opportunities for us.

11 Dividends

(a) Current Financial Period Reported On

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

Name of Dividend	Interim	Final
Type of Dividend	Cash	Cash
Dividend Amount per Share	5 cents	10 cents
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
Type of Dividend	Cash	Cash
Dividend Amount per Share	5 cents	9 cents
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)

(c) Date Payable

The proposed final dividend, if approved by shareholders on 19 July 2016, will be paid on 10 August 2016.

(d) CLOSURE OF BOOKS

NOTICE is hereby given that, subject to the approval of shareholders of the proposed final dividend being obtained at the 43rd Annual General Meeting of the Company to be held on 19 July 2016, the Transfer Books and Register of Members of the Company will be closed on 27 July 2016 for the preparation of dividend warrants.

Duly completed and stamped transfers together with all relevant documents of or evidencing title received by the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01, Singapore 068902, up to 5.00 p.m. on 26 July 2016 will be registered to determine shareholders' entitlements to the proposed final dividend. Subject as aforesaid, persons 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 26 July 2016 will be entitled to the proposed final dividend.

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

Not applicable.

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

13.1 BY BUSINESS (in \$ million)

	Food Solutions	Gateway Services	Corporate	Total
Financial year ended 31 March 2016				
Revenue (external)	967.4	725.9	4.9	1,698.2
Operating profit	156.9	47.2	10.6	214.7
Net finance income	0.4	0.1	1.9	2.4
(Loss)/gain on disposal of property, plant and equipment	(0.4)	0.1	–	(0.3)
Share of results of associates/joint ventures, net of tax	9.6	38.4	–	48.0
Net gain from transfer of business to a joint venture	2.5	–	–	2.5
Impairment of property, plant and equipment	(2.1)	–	–	(2.1)
Other non-operating (expenses)/income	(0.3)	(0.4)	0.7	–
Profit before tax	<u>166.6</u>	<u>85.4</u>	<u>13.2</u>	<u>265.2</u>
Income tax expense	(32.3)	(7.7)	(6.8)	(46.8)
Profit for the year	<u><u>134.3</u></u>	<u><u>77.7</u></u>	<u><u>6.4</u></u>	<u><u>218.4</u></u>
As at 31 March 2016				
Segment assets	388.2	232.6	228.9	849.7
Property, plant & equipment and investment property	279.9	214.1	36.7	530.7
Associates/joint ventures	176.0	369.9	0.2	546.1
Deferred tax assets	12.7	2.8	–	15.5
Intangible assets	153.6	4.7	5.4	163.7
Total assets	<u>1,010.4</u>	<u>824.1</u>	<u>271.2</u>	<u>2,105.7</u>
Current liabilities	165.6	112.6	140.7	418.9
Long-term liabilities	11.3	–	3.6	14.9
Tax liabilities	46.2	20.9	39.7	106.8
Total liabilities	<u>223.1</u>	<u>133.5</u>	<u>184.0</u>	<u>540.6</u>
Capital expenditure	21.2	17.1	12.4	50.7
Depreciation and amortisation charges	36.4	27.0	7.0	70.4

13.1 BY BUSINESS (in \$ million) (cont'd)

	<u>Food Solutions</u>	<u>Gateway Services</u>	<u>Corporate</u>	<u>Total</u>
Financial year ended 31 March 2015				
Revenue (external)	1,051.5	697.0	4.7	1,753.2
Operating profit	127.4	39.6	11.0	178.0
Net finance income	0.1	0.1	0.2	0.4
Dividends from long-term investment, gross	–	–	0.7	0.7
Loss on disposal of property, plant and equipment	(1.0)	(1.2)	–	(2.2)
Share of results of associates/joint ventures, net of tax	9.2	38.9	–	48.1
Impairment of assets held for sale	(0.2)	–	–	(0.2)
Other non-operating (expenses)/income	(0.2)	(0.2)	0.4	–
Profit before tax	<u>135.3</u>	<u>77.2</u>	<u>12.3</u>	<u>224.8</u>
Income tax expense	(21.2)	(7.4)	(5.5)	(34.1)
Profit for the year	<u><u>114.1</u></u>	<u><u>69.8</u></u>	<u><u>6.8</u></u>	<u><u>190.7</u></u>
As at 31 March 2015				
Segment assets	423.9	187.7	200.2	811.8
Property, plant & equipment and investment property	304.4	225.2	29.1	558.7
Associates/joint ventures	87.6	377.0	0.2	464.8
Deferred tax assets	15.9	3.0	–	18.9
Intangible assets	<u>153.5</u>	<u>4.4</u>	<u>7.6</u>	<u>165.5</u>
Total assets	<u><u>985.3</u></u>	<u><u>797.3</u></u>	<u><u>237.1</u></u>	<u><u>2,019.7</u></u>
Current liabilities	167.1	94.8	41.0	302.9
Long-term liabilities	23.9	39.9	33.7	97.5
Tax liabilities	<u>45.2</u>	<u>19.1</u>	<u>37.4</u>	<u>101.7</u>
Total liabilities	<u><u>236.2</u></u>	<u><u>153.8</u></u>	<u><u>112.1</u></u>	<u><u>502.1</u></u>
Capital expenditure	27.5	21.8	12.8	62.1
Depreciation and amortisation charges	35.7	26.0	6.5	68.2

13.2 BY GEOGRAPHICAL LOCATION (in \$ million) (cont'd)

	<u>Singapore</u>	<u>Japan</u>	<u>Others</u>	<u>Total</u>
Financial year ended 31 March 2016				
Revenue	<u>1,383.3</u>	<u>221.7</u>	<u>93.2</u>	<u>1,698.2</u>
As at 31 March 2016				
Segment assets	752.4	80.5	16.8	849.7
Property, plant & equipment and investment property	424.9	98.8	7.0	530.7
Associates/joint ventures	37.2	2.5	506.4	546.1
Deferred tax assets	2.6	10.0	2.9	15.5
Intangible assets	<u>139.9</u>	<u>23.8</u>	<u>–</u>	<u>163.7</u>
Total assets	<u>1,357.0</u>	<u>215.6</u>	<u>533.1</u>	<u>2,105.7</u>
Capital expenditure	<u>43.3</u>	<u>6.3</u>	<u>1.1</u>	<u>50.7</u>
Financial year ended 31 March 2015				
Revenue	<u>1,439.9</u>	<u>220.9</u>	<u>92.4</u>	<u>1,753.2</u>
As at 31 March 2015				
Segment assets	719.1	74.6	18.1	811.8
Property, plant & equipment and investment property	446.1	104.5	8.1	558.7
Associates/joint ventures	0.2	2.2	462.4	464.8
Deferred tax assets	2.8	13.1	3.0	18.9
Intangible assets	<u>141.4</u>	<u>24.1</u>	<u>–</u>	<u>165.5</u>
Total assets	<u>1,309.6</u>	<u>218.5</u>	<u>491.6</u>	<u>2,019.7</u>
Capital expenditure	<u>58.2</u>	<u>3.1</u>	<u>0.8</u>	<u>62.1</u>

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

Please refer to note 8.

- 15 A breakdown of Group's revenue and profit after tax for the first half year and second half year.**

		GROUP			
		2015-16 \$ million	2014-15 \$ million	Variance %	
(a)	Revenue reported for first half	839.6	877.4	-	4.3
(b)	Profit after tax before deducting non-controlling interest reported for first half	108.0	88.0	+	22.7
(c)	Revenue reported for second half	858.6	875.8	-	2.0
(d)	Profit after tax before deducting non-controlling interest reported for second half	110.4	102.7	+	7.5

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

	2015-16 \$ million	2014-15 \$ million
Ordinary Dividend		
Interim	55.6	55.8
Final*	110.9	99.9
Total	166.5	155.7

* The 2015-16 final dividend was estimated based on number of issued shares excluding treasury shares as at the end of the financial year.

17 Interested Person Transactions

17.1 The interested person transactions entered into during the financial year ended 31 March 2016 are as follows:

	<u>FY2015-16</u>	
	Aggregate value of all interested person transactions entered into during the financial year below (excluding transactions of value less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual)	Aggregate value of all interested person transactions entered into during the financial year below under the shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions of value less than S\$100,000)
	\$'000	\$'000
Transactions for the Sale of Goods and Services		
Scoot Pte. Ltd.	–	2,574
Singapore Airlines Cargo Pte Ltd	–	6,834 *
Singapore Airlines Limited	–	9,727
SilkAir (Singapore) Private Limited	–	316
	<hr/>	<hr/>
	–	19,451
Transactions for the Purchase of Goods and Services		
Singapore Technologies Engineering Ltd	–	138
Sembcorp Gas Pte Ltd	–	141
	<hr/>	<hr/>
	–	279
	<hr/>	<hr/>

* This includes the value of the original contract entered into in 2012 between SATS Security Services Private Limited and Singapore Airlines Cargo Pte Ltd for the period from 1 January 2012 to 31 December 2014.

Note: All the transactions set out in the above table were based on records from the Group's Register of Interested Person Transactions for the financial period under review, and include transactions whose durations exceed the financial period under review and/or multiple transactions with the same interested person. The transactions were based on actual or estimated values of the transactions for the entire duration of the relevant transactions in the case of fixed term contracts or annual/periodic values of the transactions in the case of open-ended contracts, taking into account agreed rates.

All the above interested person transactions were done on normal commercial terms.

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 the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or in any of its principal subsidiaries is a relative of a director, the chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Prema d/o K Subramaniam
Company Secretary
20 May 2016
Singapore

Singapore Company Registration No: 197201770G