



TIGER AIRWAYS HOLDINGS LIMITED
Co. Reg. No. 200701866W
(Incorporated in the Republic of Singapore)

**FINANCIAL STATEMENTS FOR THE SECOND QUARTER AND HALF YEAR
ENDED 30 SEPTEMBER 2015**

The Board of Directors (the "Board") of **Tiger Airways Holdings Limited** (the "Company" or "Tigerair") announces the unaudited financial results of the Company and its subsidiaries (the "Group") for the second quarter and half year ended 30 September 2015.

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1. CONSOLIDATED INCOME STATEMENT
for the second quarter and half year ended 30 September 2015 (in SGD'000)

	Notes	2 nd Quarter FY16	The Group 2 nd Quarter FY15 (restated)	Increase/ (decrease) %	6 months FY16	The Group 6 months FY15 (restated)	Increase/ (decrease) %
Revenue							
Passenger seat revenue		126,668	113,898	11.2	255,242	246,218	3.7
Ancillary and other revenue	1c	36,041	34,756	3.7	71,879	73,411	(2.1)
Lease rental income	1d	5,182	239	n.m	9,070	963	n.m
Total revenue		<u>167,891</u>	<u>148,893</u>	12.8	<u>336,191</u>	<u>320,592</u>	4.9
Expenses							
Fuel costs:							
Actual fuel costs		(45,219)	(71,531)	(36.8)	(95,743)	(150,924)	(36.6)
Fuel hedging loss		(13,266)	(1,371)	n.m	(24,521)	(1,192)	n.m
Staff costs							
Aircraft rentals	1a, 1d	(23,976)	(15,441)	55.3	(43,032)	(33,534)	28.3
Airport and handling		(21,587)	(21,282)	1.4	(42,396)	(44,818)	(5.4)
Maintenance, material and repair	1e	(27,376)	(18,256)	50.0	(48,343)	(35,778)	35.1
Route charges	1f	(2,952)	(5,140)	(42.6)	(7,896)	(10,364)	(23.8)
Marketing and distribution costs	1g	(7,090)	(5,742)	23.5	(13,160)	(11,395)	15.5
Depreciation and amortisation	1h	(10,292)	(7,899)	30.3	(20,640)	(16,321)	26.5
General and administrative costs		(2,457)	(1,131)	n.m	(4,862)	(3,596)	35.2
Exchange loss	1i	(2,022)	(3,016)	(33.0)	(1,748)	(6,358)	(72.5)
Others		(1,674)	(1,995)	(16.1)	(3,724)	(4,088)	(8.9)
Total expenses		<u>(178,335)</u>	<u>(174,187)</u>	2.4	<u>(346,083)</u>	<u>(362,288)</u>	(4.5)
Operating loss	1a	(10,444)	(25,294)	(58.7)	(9,892)	(41,696)	(76.3)
Finance income							
Finance income		411	588	(30.1)	758	1,226	(38.2)
Finance expense							
Finance expense		(2,653)	(1,887)	40.6	(5,184)	(3,818)	35.8
Gain on disposal of aircraft		–	1,167	(100.0)	–	1,167	(100.0)
Share of loss of associate		–	–	n.m	–	(35,328)	(100.0)
Shutdown costs of PT Mandala Airlines							
Airlines		–	–	n.m	–	(14,614)	(100.0)
Loss on disposal of an associate		–	(2,000)	(100.0)	–	(2,000)	(100.0)
Loss arising from planned disposal of a joint venture		–	(59,766)	(100.0)	–	(59,766)	(100.0)
Provision for onerous aircraft leases		–	(99,326)	(100.0)	–	(99,326)	(100.0)
Loss before taxation		<u>(12,686)</u>	<u>(186,518)</u>	(93.2)	<u>(14,318)</u>	<u>(254,155)</u>	(94.4)
Taxation		(74)	4,136	n.m	(122)	6,551	n.m
Loss for the period		<u>(12,760)</u>	<u>(182,382)</u>	(93.0)	<u>(14,440)</u>	<u>(247,604)</u>	(94.2)
Loss per share (cents)							
Basic	1b	(0.51)	(16.39)		(0.58)	(22.26)	
Diluted		(0.51)	(16.39)		(0.58)	(22.26)	

n.m – not meaningful

1. CONSOLIDATED INCOME STATEMENT (in SGD'000) (cont'd)

NOTES TO CONSOLIDATED INCOME STATEMENT

1a. Operating loss is arrived at after (crediting)/charging the following:

	The Group		The Group	
	2 nd Quarter FY16	2 nd Quarter FY15	6 months FY16	6 months FY15
Amortisation of deferred income	(535)	(588)	(1,968)	(1,189)
Property, plant and equipment written off	–	(195)	–	(195)
Operating lease rentals ⁽ⁱ⁾	24,886	16,016	45,699	35,089
Net fair value (gain)/loss on foreign currency forward contracts	<u>(1,292)</u>	<u>207</u>	<u>(2,363)</u>	<u>254</u>

(i) The increase in operating lease rentals was mainly due to the aircraft sub-leasing arrangements with Tigerair Australia and Tigerair Taiwan. For more details, please refer to 1d.

1b. Loss per share

Loss per share (cents)	The Group			
	2 nd Quarter FY16	2 nd Quarter FY15 (restated) ⁽ⁱⁱ⁾	6 months FY16	6 months FY15 (restated) ⁽ⁱⁱ⁾
- Basic ⁽ⁱⁱⁱ⁾	(0.51)	(16.39)	(0.58)	(22.26)
- Diluted ^(iv)	(0.51)	(16.39)	(0.58)	(22.26)

(ii) Restated for the effects of the Rights Issue completed in January 2015.

(iii) Computed based on the weighted average number of ordinary shares outstanding during the period.

(iv) Computed based on the weighted average number of ordinary shares outstanding during the period. The perpetual convertible capital securities, share options and awards have not been included in the calculation of diluted loss per share as they will have an antidilutive effect (i.e. resulting in a reduction in loss per share).

1c. Restatement of Consolidated Income Statement

Consolidated Income Statement

In Q4 FY15, the Group re-assessed the ancillary revenue items and noted that it is acting as a principal for income related to (a) call centre and (b) merchant acquiring fee, which would require these ancillary revenue items to be reported on a gross basis. As a result, the Group restated the comparative amounts for the previous financial year. This accounting treatment is in compliance with FRS 18 Revenue.

The effect of this restatement resulted in a change in presentation and had no effect on pre-tax loss, net loss or any loss per share amounts for any period presented.

1. CONSOLIDATED INCOME STATEMENT (in SGD'000) (cont'd)

NOTES TO CONSOLIDATED INCOME STATEMENT

1c. Restatement of Consolidated Income Statement (cont'd)

Consolidated Income Statement (cont'd)

For details, please refer to the information provided below:

	2 nd Quarter FY15	6 Months FY15
Ancillary and other revenue		
Previously reported	32,807	69,527
Add: Re-gross of income	2,188	4,847
Less: Separate disclosure of lease rental income (note 1f)	(239)	(963)
Restated balance	34,756	73,411
Marketing and distribution costs		
Previously reported	(3,554)	(6,548)
Add: Re-gross of expense	(2,188)	(4,847)
Restated balance	(5,742)	(11,395)

1d. Aircraft and engine leasing arrangements

During FY16, the Group acted as a principal under the aircraft and engine leasing arrangements entered with Tigerair Australia and Tigerair Taiwan. As the lease rental income stream is deemed as a significant source of income, the lease rental income is disclosed separately in the Income Statement.

Correspondingly, the Group recorded the head lease rentals of these subleased aircraft in the Income Statement.

1e. Maintenance, material and repair

The Group recorded a higher maintenance, material and repair costs of SGD 9.1m in 2QFY16. This was mainly due to:

- the ageing of the fleet;
- SGD 1.6m engineering costs incurred to meet the delivery conditions required by InterGlobe Aviation Limited ("IndiGo");
- additional SGD 0.3m provision for maintenance expenses resulting from changes in accounting estimates; and
- appreciation of USD against SGD.

To assure aircraft safety and airworthiness, the Group entered into aircraft maintenance agreements with various service providers. In one of the long-life maintenance agreements entered into by the Group in 2009, the unit rate charged by the service provider will step up after an engine undergoes the first major overhaul. As and when the related engines undergo their first major overhaul, the cash outflows relating to this maintenance charge thereafter are expected to increase by approximately SGD 0.6m per aircraft per annum. This is not expected to have a material impact on the financial results of the current financial year.

1. CONSOLIDATED INCOME STATEMENT (in SGD'000) (cont'd)

NOTES TO CONSOLIDATED INCOME STATEMENT

1f. Route charges

In 2QFY16, the Group reversed the SGD 2.2m overprovision of route charges as the Group had fully settled the vendor bills.

1g. Marketing and distribution costs

Higher marketing and distribution costs of SGD 1.3m was mainly due to step-up in social media marketing programs as well as increase in advertising campaigns in the region.

1h. Depreciation and amortisation

With effect from 1 January 2015, the Group revised the useful life and residual value of its owned aircraft as follows:

Useful life	: Reduced from 23 years to 15 years
Residual value	: Reduced from 15% of the original cost to 10%

This resulted in an increase to the Group's depreciation charge by SGD 3.5m during the quarter as compared to the corresponding period in the preceding year.

1i. Exchange loss

In 2QFY16, the Group recorded a lower exchange loss. This was mainly due to higher realised gain from settlement of forex forward contracts.

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the second quarter and half year ended 30 September 2015 (in SGD'000)

	The Group		The Group	
	2 nd Quarter FY16	2 nd Quarter FY15	6 months FY16	6 months FY15
Loss for the period	<u>(12,760)</u>	<u>(182,382)</u>	<u>(14,440)</u>	<u>(247,604)</u>
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Net fair value changes on cash flow hedges	<u>(5,134)</u>	<u>(9,021)</u>	<u>7,443</u>	<u>(6,781)</u>
Other comprehensive income for the period, net of tax	<u>(5,134)</u>	<u>(9,021)</u>	<u>7,443</u>	<u>(6,781)</u>
Total comprehensive income for the period	<u><u>(17,894)</u></u>	<u><u>(191,403)</u></u>	<u><u>(6,997)</u></u>	<u><u>(254,385)</u></u>

3. STATEMENTS OF FINANCIAL POSITION as at 30 September 2015 (in SGD'000)

	Notes	The Group		The Company	
		30 September 2015	31 March 2015	30 September 2015	31 March 2015
ASSETS					
Non-current assets					
Property, plant and equipment		435,074	453,517	310,527	322,590
Intangible assets		126	138	126	138
Investment in subsidiaries		–	–	24,655	24,355
Long-term investment		8,304	8,304	–	–
Deferred tax assets		17,183	17,183	–	–
Prepayments		38,706	34,021	3,485	3,485
Loans to subsidiary		–	–	8,308	8,308
Other receivables		64,622	65,955	–	–
		<u>564,015</u>	<u>579,118</u>	<u>347,101</u>	<u>358,876</u>
Current assets					
Prepayments		9,244	7,640	169	111
Amounts due from immediate holding company		680	–	–	–
Amounts due from subsidiaries		–	–	108	149
Amounts due from related companies		13,855	20,763	–	9,724
Trade receivables		11,241	11,336	–	–
Other receivables		16,517	18,894	1,071	2,165
Derivative financial instruments	3c	4,064	3,510	–	–
Cash and cash equivalents		287,934	310,175	255,642	289,201
		<u>343,535</u>	<u>372,318</u>	<u>256,990</u>	<u>301,350</u>
Asset related to planned disposal of aircraft		72,815	70,959	36,431	35,503
Total assets		<u>980,365</u>	<u>1,022,395</u>	<u>640,522</u>	<u>695,729</u>
EQUITY AND LIABILITIES					
Equity					
Share capital		916,234	915,523	916,234	915,523
Perpetual convertible capital securities		15,002	15,002	15,002	15,002
Accumulated losses		(708,032)	(693,441)	(647,142)	(654,106)
Other reserves		(13,963)	(21,687)	1,354	1,073
Total equity	3b	<u>209,241</u>	<u>215,397</u>	<u>285,448</u>	<u>277,492</u>
Non-current liabilities					
Provisions		223,191	225,668	85,673	96,393
Deferred income		9,232	11,075	–	–
Deferred tax liabilities		6,806	6,893	6,806	6,893
Loans	3a	207,886	223,246	137,448	147,410
Other long-term liabilities	3d	9,659	–	127	–
		<u>456,774</u>	<u>466,882</u>	<u>230,054</u>	<u>250,696</u>
Current liabilities					
Provisions		15,961	17,822	14,267	17,822
Deferred income		2,400	2,324	215	58
Sales in advance of carriage		72,051	67,552	–	–
Provision for taxation		104	129	10	10
Loans	3a	80,605	83,731	45,487	47,000
Amounts due to immediate holding company		360	68	–	–
Amounts due to subsidiaries		–	–	55,645	85,878
Amounts due to related companies		16,249	21,757	3,105	9,582
Trade payables		94,760	105,658	–	–
Other payables		7,836	9,963	6,291	7,191
Derivative financial instruments	3c	24,024	31,112	–	–
		<u>314,350</u>	<u>340,116</u>	<u>125,020</u>	<u>167,541</u>
Total liabilities		<u>771,124</u>	<u>806,998</u>	<u>355,074</u>	<u>418,237</u>
Total equity and liabilities		<u>980,365</u>	<u>1,022,395</u>	<u>640,522</u>	<u>695,729</u>

3. STATEMENTS OF FINANCIAL POSITION (in SGD'000) (cont'd)

NOTES TO STATEMENTS OF FINANCIAL POSITION

3a. Group's borrowings and debt securities

(i) Amount repayable in one year or less, or on demand

As at 30 September 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
80,605	–	83,731	–

As at 30 September 2015, the secured loans included SGD 50.1m of loans relating to the two owned aircraft earmarked for disposal (31 March 2015: SGD 53.5m).

(ii) Amount repayable after one year

As at 30 September 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
207,886	–	223,246	–

(iii) Details of collateral

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.

3b. Net asset value

	The Group		The Company	
	30 September 2015	31 March 2015	30 September 2015	31 March 2015
Net asset value per ordinary share (cents) ^(v)	8.37	8.63	11.42	11.11

^(v) Computed by dividing net asset value by the number of ordinary shares outstanding as at the end of the respective reporting periods.

3c. Derivative financial instruments

The Group's net derivative financial liabilities decreased by SGD 7.6m from SGD 27.6m as of 31 March 2015 to SGD 20.0m as of 30 September 2015. This was mainly due to lower unrealised loss arising from the outstanding "out-of-the-money" fuel-related hedging instruments. The Group has hedged approximately 49% of its projected fuel requirements for the next 15 months. The average hedged price is around USD 76.15 per barrel.

3d. Other long-term liabilities

Other long-term liabilities mainly relate to long-term deposits received in connection with the aircraft and engine which are either subleased or leased to Tigerair Taiwan.

4. STATEMENTS OF CHANGES IN EQUITY
for the second quarter and half year ended 30 September 2015 (in SGD'000)

4a. Statement of changes in equity of the Group

	Share capital	Perpetual convertible capital securities	Accumulated losses	Share-based compensation reserve	Fair value reserve	Total
Balance at 1 July 2015	915,796	15,002	(695,121)	1,358	(10,183)	226,852
Loss for the period	–	–	(12,760)	–	–	(12,760)
Other comprehensive income for the period, net of tax	–	–	–	–	(5,134)	(5,134)
Total comprehensive income for the period	–	–	(12,760)	–	(5,134)	(17,894)
<u>Contributions by/ (distributions to) owners</u>						
Distribution on perpetual convertible capital securities ^(vi)	–	–	(151)	–	–	(151)
Equity settled share-based compensation expense	–	–	–	434	–	434
Exercise of employee share options and vesting of share awards	438	–	–	(438)	–	–
Total transactions with owners in their capacity as owners	438	–	(151)	(4)	–	283
Balance at 30 September 2015	916,234	15,002	(708,032)	1,354	(15,317)	209,241

^(vi) On 23 September 2015, the Company announced the distribution on perpetual convertible capital securities. The distribution was subsequently paid on 22 October 2015.

4. STATEMENTS OF CHANGES IN EQUITY (in SGD'000) (cont'd)

4a. Statement of changes in equity of the Group (cont'd)

	Share capital	Perpetual convertible capital securities	Accumulated losses	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	Total
Balance at 1 July 2014	484,475	218,087	(492,088)	3,045	1,170	1,412	216,101
Loss for the period	–	–	(182,382)	–	–	–	(182,382)
Other comprehensive income for the period, net of tax	–	–	–	–	–	(9,021)	(9,021)
Total comprehensive income for the period	–	–	(182,382)	–	–	(9,021)	(191,403)
<u>Contributions by/ (distributions to) owners</u>							
Distribution on perpetual convertible capital securities ^(vii)	–	–	(2,202)	–	–	–	(2,202)
Equity settled share-based compensation expense	–	–	–	–	152	–	152
Exercise of employee share options and vesting of share awards	542	–	11	–	(553)	–	–
Total transactions with owners in their capacity as owners	542	–	(2,191)	–	(401)	–	(2,050)
Balance at 30 September 2014	485,017	218,087	(676,661)	3,045	769	(7,609)	22,648

^(vii) On 25 September 2014, the Company announced the distribution on perpetual convertible capital securities. The distribution was subsequently paid on 23 October 2014.

4. STATEMENTS OF CHANGES IN EQUITY (in SGD'000) (cont'd)

4b. Statement of changes in equity of the Company

	Share capital	Perpetual convertible capital securities	Accumulated losses	Share-based compensation reserve	Total
Balance at 1 July 2015	915,796	15,002	(653,019)	1,358	279,137
Loss for the period	–	–	6,028	–	6,028
Total comprehensive income for the period	–	–	6,028	–	6,028
<u>Contributions</u>					
<u>by/(distributions to) owners</u>					
Distribution on perpetual convertible capital securities ^(vi)	–	–	(151)	–	(151)
Equity settled share-based compensation expense	–	–	–	434	434
Exercise of employee share options and vesting of share awards	438	–	–	(438)	–
Total transactions with owners in their capacity as owners	438	–	(151)	(4)	283
Balance at 30 September 2015	916,234	15,002	(647,142)	1,354	285,448

^(vi) On 23 September 2015, the Company announced the distribution on perpetual convertible capital securities. The distribution was subsequently paid on 22 October 2015.

4. STATEMENTS OF CHANGES IN EQUITY (in SGD'000) (cont'd)

4b. Statement of changes in equity of the Company (cont'd)

	Share capital	Perpetual convertible capital securities	Accumulated losses	Share-based compensation reserve	Total
Balance at 1 July 2014	484,475	218,087	(434,920)	1,170	268,812
Loss for the period	–	–	(191,391)	–	(191,391)
Total comprehensive income for the period	–	–	(191,391)	–	(191,391)
<u>Contributions</u>					
<u>by/(distributions to) owners</u>					
Distribution on perpetual convertible capital securities ^(vii)	–	–	(2,202)	–	(2,202)
Equity settled share-based compensation expense	–	–	–	152	152
Exercise of employee share options and vesting of share awards	542	–	11	(553)	–
Total transactions with owners in their capacity as owners	542	–	(2,191)	(401)	(2,050)
Balance at 30 September 2014	485,017	218,087	(628,502)	769	75,371

^(vii) On 25 September 2014, the Company announced the distribution on perpetual convertible capital securities. The distribution was subsequently paid on 23 October 2014.

4. STATEMENTS OF CHANGES IN EQUITY (cont'd)

4c. Share capital

Issued share capital

At 30 September 2015, the number of ordinary shares in issue was 2,498,626,645 (31 March 2015: 2,496,635,441). The Company did not hold any treasury shares as at 30 September 2015 and 2014.

	Number of Shares	Share Capital SGD'000
Balance at 1 July 2015	2,497,500,312	915,796
Shares vested under Restricted Share Plan	1,126,333	438
Balance at 30 September 2015	<u>2,498,626,645</u>	<u>916,234</u>

As at 30 September 2015, the number of perpetual convertible capital securities ("PCCS") in issue was 14,119,091 (30 September 2014: 205,253,978). These are convertible into 26,738,809 fully paid-up new shares of the Company (30 September 2014: 296,786,157).

Share Option Scheme

The Pre-IPO Tiger Aviation Share Option Scheme (the "Scheme") was approved by the Board of Directors of the Company on 24 April 2008 for granting of options to eligible executives, directors and employees of the Group. This was a successor scheme from the Pre-IPO Tiger Airways Share Options Scheme of Tiger Airways Singapore Pte. Ltd. ("Tigerair Singapore"), approved by its Board of Directors on 7 December 2004.

All options granted by the Tigerair Singapore were replaced by options of the Scheme. The grant date was deemed to be the same as those options granted by Tigerair Singapore. The Scheme had been terminated since the initial public offering of the Company's shares on 22 January 2010 and no further options will be granted under the Scheme.

During the period from 1 July 2015 to 30 September 2015, there were no options exercised under the Scheme. As at 30 September 2015, the number of outstanding share options of the Company was 10,865 (30 September 2014: 10,865).

Expiry Period	Exercise Price (SGD) ^(viii)	Number of Options
Between 1 April 2017 and 31 March 2018	0.058	805
Between 1 April 2019 and 31 March 2020	0.053	<u>10,060</u>
Total		<u>10,865</u>

^(viii) Following the completion of the 2015 Rights Issue, the Remuneration Committee approved a reduction in the exercise prices of the outstanding share options in accordance to the rules of the Scheme and advice of independent financial advisor. The exercise price disclosed is the exercise price after reduction.

4. STATEMENTS OF CHANGES IN EQUITY (cont'd)

4c. Share capital (cont'd)

Long Term Incentive Plan

The Tiger Airways Long Term Incentive Plan ("LTIP") was approved by the shareholders of the Company on 30 July 2010. Pursuant to the approval of the LTIP, employees are eligible to participate in the Tiger Airways Group Restricted Share Plan ("RSP") Performance Share Plan ("PSP") and/or CEO Restricted Share Grant ("CEORSG"). The first awards of RSP and PSP were made on 1 September 2010. The first award of CEORSG was made on 30 October 2013.

Under RSP, there are no pre-determined business targets. Pursuant to the terms of the RSP, the restricted shares will vest after a specified number of years from the award date.

Under the PSP, a base number of conditional share awards ("Base Award") is awarded to eligible participants annually. Subject to the achievement of certain pre-determined targets (e.g. total shareholder return) over a specified performance period, the Remuneration Committee will determine an achievement factor which will then be applied to the Base Award to determine the final number of PSP shares to be vested at the end of the performance period. The achievement factor could range from 0% to 200% of the Base Award.

Awards of the CEO restricted shares pursuant to the CEORSG take into consideration of the contractual terms of the service agreement with the eligible participants. CEO restricted shares vest immediately. A moratorium on the disposal of shares is applicable during his term of service as the Chief Executive Officer of the Company, until his term of office has been completed, and/or upon resignation or retirement.

As at 30 September 2015, the number of outstanding share awards awarded under the RSP and PSP were 5,095,941 (30 September 2014: 3,288,500) and 13,916,778 (30 September 2014: 3,914,400) respectively.

Date of Grant	Balance at 1 Jul 2015	Granted	Vested	Cancelled	Balance at 30 Sep 2015
RSP					
30 Oct 2013	931,083	–	(446,519)	(49,993)	434,571
11 Feb 2014	49,382	–	(24,630)	–	24,752
13 Aug 2014	2,082,977	–	(655,184)	(156,075)	1,271,718
13 Aug 2015	–	3,364,900	–	–	3,364,900
	3,063,442	3,364,900	(1,126,333)	(206,068)	5,095,941
PSP					
30 Oct 2013	2,993,214	–	–	–	2,993,214
11 Feb 2014	246,549	–	–	–	246,549
30 Mar 2015	3,920,515	–	–	–	3,920,515
13 Aug 2015	–	6,756,500	–	–	6,756,500
	7,160,278	6,756,500	–	–	13,916,778

5. CONSOLIDATED STATEMENT OF CASH FLOWS
for the second quarter and half year ended 30 September 2015 (in SGD'000)

	The Group		The Group	
	2 nd Quarter FY16	2 nd Quarter FY15	6 months FY16	6 months FY15
Cash flows from operating activities:				
Loss before taxation	(12,686)	(186,518)	(14,318)	(254,155)
Adjustments for :				
Depreciation of property, plant and equipment	10,288	7,809	20,627	16,067
Amortisation of intangible assets	4	90	13	254
Amortisation of deferred income	(535)	(588)	(1,968)	(1,189)
Amortisation of maintenance reserve payment	39	51	77	100
Provision for maintenance costs	4,202	4,908	8,194	7,942
Share-based compensation expense	433	152	991	545
Property, plant and equipment written off	–	195	–	195
Gain on disposal of aircraft	–	(1,167)	–	(1,167)
Share of loss of associates and joint venture	–	–	–	35,328
Shutdown costs of PT Mandala Airlines	–	–	–	14,614
Loss on disposal of an associate	–	2,000	–	2,000
Loss arising from planned disposal of a joint venture	–	59,766	–	59,766
Provision for onerous aircraft leases	–	99,326	–	99,326
Interest expense	2,525	1,741	4,928	3,533
Interest income	(411)	(588)	(758)	(1,226)
Unrealised exchange differences	3,291	247	2,617	261
Operating cash flows before working capital changes	7,150	(12,576)	20,403	(17,806)
Decrease/(increase) in amounts due from immediate holding company, related companies, trade and other receivables	1,956	(2,841)	7,274	70,564
Increase in sales in advance of carriage	4,372	10,057	4,499	3,412
Decrease in provision for onerous aircraft leases	(2,446)	(8,300)	(14,487)	(14,548)
Decrease in amounts due to immediate holding company, related companies, trade and other payables, and other provisions	(7,820)	(17,420)	(9,752)	(20,324)
Increase/(decrease) in deferred income	200	(241)	200	(185)
Increase in prepayments	(3,743)	(3,453)	(6,289)	(3,805)
(Increase)/ decrease in amounts due from joint venture	–	(65)	–	726
Cash flows (used in)/from operations	(331)	(34,839)	1,848	18,034
Interest received	329	500	596	1,052
Income tax paid	(227)	(194)	(234)	(198)
Net cash flows (used in)/from operating activities	(229)	(34,533)	2,210	18,888
Cash flows from investing activities:				
Purchase of property, plant and equipment	(1,864)	(32,521)	(4,343)	(33,800)
Proceeds from disposal of property, plant and equipment	1,104	54,864	2,159	54,864
Additions to intangible assets	–	(102)	(1)	(121)
Funding operating and shutdown activities of PT Mandala Airlines	–	(13,833)	–	(38,493)
Loans to joint venture	–	(7,546)	–	(8,455)
Long-term investment	–	–	–	(8,304)
Net cash flows (used in)/from investing activities	(760)	862	(2,185)	(34,309)
Cash flows from financing activities:				
Distribution on perpetual convertible capital securities	–	(2,190)	(151)	(2,190)
Repayments of bank loans	(9,255)	(13,615)	(18,486)	(34,810)
Proceeds from bank loans	–	20,000	–	20,000
Interest paid	(1,801)	(1,761)	(3,629)	(3,587)
Net cash flows (used in)/from financing activities	(11,056)	2,434	(22,266)	(20,587)
Net decrease in cash and cash equivalents	(12,045)	(31,237)	(22,241)	(36,008)
Cash and cash equivalents at beginning of the period	299,979	166,810	310,175	171,581
Cash and cash equivalents at end of the period	287,934	135,573	287,934	135,573

6. AUDIT

The financial statements have not been audited nor reviewed by our auditors.

7. ACCOUNTING POLICIES

- 7a. The Group has adopted the new and revised Singapore Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”) that are effective for annual periods beginning on or after 1 April 2015. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group.
- 7b. Save for those mentioned in note 7a, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 March 2015.

8. REVIEW OF GROUP FINANCIAL PERFORMANCE AND POSITION

- 8a. Group financial performance

2nd quarter

The Group posted a SGD 12.8m net loss for the second quarter ended 30 September 2015. The loss was 93.0% lower than the SGD 182.4m loss reported a year ago. The absence of (i) losses related to divestment of a 40% stake in Tigerair Australia and (ii) provision for onerous aircraft leases, both of which were recorded in the same quarter of last financial year, contributed to this improvement in the financial performance.

Operating loss narrowed to SGD 10.4m, compared to SGD 25.3m recorded in the previous corresponding quarter. This was mainly attributable to improved performance for airline operations in Singapore.

Group revenue was SGD 167.9m, up by 12.8% from SGD 148.9m. Yields recorded an improvement of 8.2%, while load factor increased by 1.6 percentage points on the back of higher traffic (+1.1%). In addition, the Group recorded a lease rental income of SGD 5.2m during the quarter. This was related to the aircraft and engine leases entered with Tigerair Australia and Tigerair Taiwan.

Group expenses increased by 2.4% to SGD 178.3m. The Group recorded a 19.8% decrease in fuel costs due to the sharp decline in oil prices. The benefit of lower fuel expenses was partially eroded by higher aircraft maintenance charges, higher aircraft rentals and appreciation of USD against SGD. In addition, changes in accounting estimates for maintenance provisions and aircraft depreciation policy resulted in SGD 3.8m increase in expenses.

6 months

The Group posted a SGD 14.4m net loss for the first half ended 30 September 2015. The loss was 94.2% lower than the SGD 247.6m loss reported a year ago. The absence of (i) losses related to divestment of a 40% stake in Tigerair Australia; (ii) provision for onerous aircraft leases; (iii) shutdown costs of PT Mandala Airlines and (iv) share of loss of associate, which were recorded in the first half of last financial year, contributed to the improvement in the financial performance.

Operating loss narrowed to SGD 9.9m, compared to SGD 41.7m recorded in the previous corresponding quarter. This was mainly attributable to improved performance for airline operations in Singapore.

8. REVIEW OF GROUP FINANCIAL PERFORMANCE AND POSITION (cont'd)

8a. Group financial performance (cont'd)

6 months (cont'd)

Group revenue was SGD 336.2m, up by 4.9% from SGD 320.6m reported a year ago. Notwithstanding the drop in traffic by 3.9%, yields recorded an improvement of 6.3% and load factor marginally increased by 0.2 percentage point. In addition, the Group recorded a lease rental income of SGD 9.1m during the first half of the financial year. This was related to the aircraft and engine leases entered with Tigerair Australia and Tigerair Taiwan.

Group expenses decreased by 4.5% to SGD 346.1m. The Group recorded a 20.9% decrease in fuel costs due to the sharp decline in oil prices. The benefit of lower fuel expenses was partially eroded by higher aircraft maintenance charges, higher aircraft rentals and appreciation of USD against SGD. In addition, changes in accounting estimates for maintenance provisions and aircraft depreciation policy resulted in SGD 7.9m increase in expenses.

8b. Group financial position

Group equity decreased by SGD 6.2m to SGD 209.2m. This was mainly due to a net loss of SGD 14.4m for the six months period, offset by a lower net unrealised loss from fuel and forex hedging instruments of SGD 7.4m.

Group assets decreased by SGD 42.1m to SGD 980.3m. This was mainly attributable to:

- a) decrease in cash balances (-SGD 22.2m),
- b) depreciation of property, plant and equipment (-SGD 20.6m), and
- c) net recoveries from related companies (-SGD 6.9m); partially offset by
- d) increase in prepayments (+SGD 4.7m) for advance payment relating to engine maintenance and overhaul services covered by power-by-the-hour arrangements.

Group liabilities decreased by SGD 35.9m to SGD 771.1m. This was mainly due to:

- a) repayment of bank loans (-SGD 18.5m),
- b) utilisation of provision for funding of surplus aircraft (-SGD 11.0m), and
- c) lower out-of-the-money fuel related hedging liabilities (-SGD 7.1m).

The Group had a net debt position of SGD 0.6m as at the end of the quarter.

As at 30 September 2015, the Group provided guarantees to the aircraft lessors for all the 12 aircraft that were subleased to IndiGo. During the quarter, the Group ceased to provide guarantees to an aircraft lessor and a financial institution for Tigerair Australia, that was previously reported in the previous quarter.

8c. Group cashflow

As at 30 September 2015, cash and cash equivalents of the Group decreased by SGD 22.2m to SGD 287.9m. This was mainly due to aggregate cash outflows relating to investing and financing activities of SGD 24.4m, partially offset by net cash inflows from operating activities of SGD 2.2m.

Net cash inflows from operating activities of SGD 2.2m was mainly due to cash generated from core operations of SGD 16.7m, partially offset by funding of surplus aircraft of SGD 14.5m.

Net cash outflows from financing activities was SGD 22.3m. This was mainly due to net repayment of bank loans and interest payment to the financial institutions.

Net cash outflows from investing activities was SGD 2.2m. This was mainly due to the net cash outflows arising from the purchase of property, plant and equipment.

9. VARIANCE FROM FORECAST OR PROSPECT STATEMENT

No forecast or prospect statement was provided.

10. OUTLOOK

The period between October and December is a seasonally peak quarter. The Group will capitalise on the yield improvement opportunities during the holiday season. New services to Lucknow, and a return of services to Lijiang, are scheduled before the end of the year.

The Group will continue to explore all opportunities for synergies with Scoot and the rest of the Singapore Airlines Group in commercial, operational and other areas.

11. DIVIDEND

No dividend has been declared for the quarter ended 30 September 2015 (30 September 2014: nil).

12. INTERESTED PERSON TRANSACTIONS

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than SGD 100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD 100,000)
	2nd Quarter FY16	2nd Quarter FY16
SATS Limited and its Associates	–	116,250
Singapore Airlines Limited and its Associates ^(ix)	–	2,243,216
Total Interested Person Transactions (“IPT”)	–	2,359,466

^(ix) In addition to the IPT reported, Tigerair Singapore and Scoot Pte Ltd, a wholly-owned subsidiary of Singapore Airlines Limited, have also entered into an interline agreement to market joint itineraries for selected routes. No commission is receivable or payable for fares collected on behalf of the other airline, and the transaction has been accorded a nil value.

BY ORDER OF THE BOARD

Ho Zhuanglin
Company Secretary
23 October 2015

CONFIRMATION BY THE BOARD

We, HSIEH FU HUA and LEE LIK HSIN, being two directors of Tiger Airways Holdings 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 financial results of the Group for the second quarter and half year ended 30 September 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors



HSIEH FU HUA
Chairman



LEE LIK HSIN
Chief Executive Officer

Singapore, 23 October 2015