

SINGAPORE AIRLINES LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 197200078R

ANNOUNCEMENT

VOLUNTARY CONDITIONAL GENERAL OFFER FOR TIGER AIRWAYS HOLDINGS LIMITED

1. INTRODUCTION

1.1 The Tiger Airways Offers. The board of directors (the “**SIA Board**”) of Singapore Airlines Limited (the “**Offeror**” or “**SIA**”) wishes to announce that DBS Bank Ltd. (“**DBS**”) has today, for and on behalf of the Offeror, made an announcement (the “**Offer Announcement**”) that the Offeror intends to make:

- 1.1.1 a voluntary conditional general offer (the “**Offer**”) for all the issued ordinary shares (the “**Tiger Airways Shares**”) in the capital of Tiger Airways Holdings Limited (“**Tiger Airways**”), other than those already owned or agreed to be acquired by the Offeror as at the date of the Offer;
- 1.1.2 an appropriate offer (the “**PCCS Offer**”) for all the outstanding perpetual convertible capital securities issued by Tiger Airways (the “**PCCS**”), other than those already owned or agreed to be acquired by the Offeror as at the date of the PCCS Offer; and
- 1.1.3 an appropriate proposal (the “**Options Proposal**”) to the holders of the outstanding options (the “**Options**”) granted under the Pre-IPO Tiger Aviation Share Option Scheme.

1.2 Offer Announcement. Further details of the Offer, the PCCS Offer and the Options Proposal (the “**Tiger Airways Offers**”) (including their respective terms and conditions and the rationale for the Offer) are contained in the Offer Announcement. A copy of the Offer Announcement is set out in the **Schedule** of this Announcement and also available on the website of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) at www.sgx.com. References to the Tiger Airways Offers and their terms and conditions in this Announcement should be read together with, and are subject to, the Offer Announcement.

2. INFORMATION ON TIGER AIRWAYS

2.1 Tiger Airways and its Principal Activities. Based on publicly available information, Tiger Airways Singapore Pte. Ltd. (“**Tiger Airways Singapore**”) was incorporated in Singapore in December 2003 and held and operated all the assets and business of Tiger Airways Singapore. Tiger Airways was incorporated in Singapore on 1 February 2007 and is a public limited company. In September 2007, there was a restructuring of operations through a share swap arrangement between Tiger Airways and the then shareholders of Tiger Airways Singapore. The share swap involved the issuance of shares by Tiger Airways to the then shareholders of Tiger Airways Singapore in

consideration for the transfer by such shareholders of all their shares in Tiger Airways Singapore to Tiger Airways. Tiger Airways was subsequently listed on the Mainboard of the SGX-ST on 22 January 2010.

The principal activities of Tiger Airways are those of (i) a Singapore-based budget airline that operates flights to destinations in Asia with a fleet of Airbus A320-family aircraft and (ii) an investment holding company.

Based on the latest announced unaudited consolidated financial statements of Tiger Airways and its subsidiaries (the “**Tiger Airways Group**”) for the half year ended 30 September 2015 (“**HY2016**” and such financial statements, the “**HY2016 Financial Statements**”), Tiger Airways has an issued and paid-up capital of S\$916,234,000 consisting of 2,498,626,645 Tiger Airways Shares. Tiger Airways does not hold any treasury Tiger Airways Shares.

- 2.2 Values of the Assets Being Acquired.** The market value of the assets being acquired (being the Maximum Offer Shares (as defined in **paragraph 4.2.1** below)), calculated based on the volume weighted average price (“**VWAP**”) of approximately S\$0.2997 per Tiger Airways Share for all the trades done on 5 November 2015 (being the last full day of trading in the Tiger Airways Shares on the SGX-ST immediately prior to the date of the Offer Announcement), is approximately S\$344.9 million.¹

Based on the HY2016 Financial Statements, the Tiger Airways Group earned S\$336.2 million in revenues for HY2016 and incurred S\$14.3 million in net loss before income tax, minority interests and extraordinary items for HY2016, with S\$209.2 million in net assets attributable to owners of Tiger Airways as at the end of HY2016.

The Tiger Airways Group is consolidated under and forms part of the Offeror and its subsidiaries (the “**SIA Group**”).

3. THE TIGER AIRWAYS OFFERS

- 3.1 Terms and Conditions.** Please refer to **paragraphs 2, 3 and 4** of the Offer Announcement for information on the terms and conditions of the Offer, the PCCS Offer and the Options Proposal respectively.
- 3.2 Rationale for the Offer.** Please refer to **paragraph 6** of the Offer Announcement for the rationale for the Offer.

¹ Calculated based on the maximum potential issued share capital of Tiger Airways (but excluding Tiger Airways Shares held by the Offeror as at the date hereof). For the purposes of this Announcement, the “**maximum potential issued share capital of Tiger Airways**” means the total number of Tiger Airways Shares which would be in issue if all the Tiger Airways Shares (a) under the PCCS and the Options are issued and (b) under the outstanding share awards granted by Tiger Airways are issued and/or delivered.

4. CONSIDERATION

- 4.1 Consideration.** As stated in **paragraph 2.1.1** of the Offer Announcement, the consideration for the Offer Shares (as defined in **paragraph 2.1.2** of the Offer Announcement) (the “**Consideration**”) will be as follows:

Each shareholder of Tiger Airways (the “**Tiger Airways Shareholder**”) who validly accepts the Offer (the “**Accepting Tiger Airways Shareholder**”) will be:

- 4.1.1** paid S\$0.41 in cash (the “**Offer Price**”) for each Offer Share tendered in acceptance of the Offer; and
- 4.1.2** granted a non-transferable option to subscribe (the “**Option to Subscribe**”) for issued ordinary shares (the “**Offeror Shares**”) in the capital of the Offeror on the following principal terms and conditions:
- (i) the Option to Subscribe will only be granted to the Accepting Tiger Airways Shareholder if the Offer becomes or is declared to be unconditional in all respects in accordance with its terms;
 - (ii) the Option to Subscribe will be exercisable by the Accepting Tiger Airways Shareholder at any time during a 15 Market Day² period (the “**Option Exercise Period**”), which will commence on a date to be announced by the Offeror after the final settlement date in respect of all the Offer Shares validly tendered in acceptance of the Offer. The Offeror Shares will only be issued to the Accepting Tiger Airways Shareholder if the Accepting Tiger Airways Shareholder has validly exercised the Option to Subscribe during the Option Exercise Period. For the avoidance of doubt, if the Option to Subscribe is not validly exercised by the Accepting Tiger Airways Shareholder during the Option Exercise Period, the Option to Subscribe will lapse and be null and void;
 - (iii) the subscription price of the Offeror Shares payable by the Accepting Tiger Airways Shareholder exercising the Option to Subscribe will be S\$11.1043 (the “**Subscription Price**”) for each Offeror Share; and
 - (iv) the maximum number of Offeror Shares which the Accepting Tiger Airways Shareholder may subscribe for pursuant to the Option to Subscribe will be determined as follows (rounded down to the nearest whole Offeror Share):

$$\text{Maximum Number of Offeror Shares} = A / B$$

Where:

² For the purposes of this Announcement, “**Market Day**” means a day on which the SGX-ST is open for trading of securities.

“A” = Total Offer Price paid or payable to the Accepting Tiger Airways Shareholder pursuant to the terms of the Offer in respect of all the Offer Shares validly tendered by such Accepting Tiger Airways Shareholder in acceptance of the Offer

“B” = The Subscription Price

The Consideration was arrived at taking into account, *inter alia*, the prevailing and historical market price of Tiger Airways Shares, the price premia paid by offerors in other comparable general offers and the industry and business environment that Tiger Airways is operating in.

4.2 Assumed Maximum Consideration. Assuming that:

4.2.1 the total number of Offer Shares is 1,150,932,997 Tiger Airways Shares³ (the “**Maximum Offer Shares**”); and

4.2.2 there is full acceptance of the Offer in respect of all the Offer Shares,

the maximum aggregate consideration for the acquisition of all the Offer Shares pursuant to the Offer would be:

- (i) approximately S\$471.9 million (the “**Assumed Maximum Consideration**”), if none of the Accepting Tiger Airways Shareholders exercised the Option to Subscribe; and
- (ii) 42,495,477 Offeror Shares, if all the Accepting Tiger Airways Shareholders validly exercised the Option to Subscribe. The Offeror Shares to be issued and/or transferred pursuant to or in connection with the Offer will be satisfied first from the existing 30,000,000 treasury Offeror Shares and thereafter from 12,495,477 newly issued Offeror Shares. An application will be made to the SGX-ST for its approval-in-principle for the dealing in, listing of and quotation of the new Offeror Shares to be issued pursuant to or in connection with the Offer and the PCCS Offer on the Official List of the SGX-ST, which shall rank *pari passu* in all respects with the existing Offeror Shares as at the date of their issue.

4.3 Source of Funding for the Tiger Airways Offers. The Tiger Airways Offers will be funded by the internal cash resources of the Offeror.

DBS, as the financial adviser to the Offeror, confirms that sufficient financial resources are available to the Offeror to satisfy in full, all acceptances of the Offer by Tiger Airways Shareholders on the basis of the Offer Price and the PCCS Offer by holders of the PCCS on the basis of the PCCS Offer Price (as defined in **paragraph 3.3.1** of the Offer Announcement).

³ Calculated based on the maximum potential issued share capital of Tiger Airways (excluding Tiger Airways Shares held by the Offeror as at the date hereof).

5. DISCLOSEABLE TRANSACTION

5.1 Rule 1006 Relative Figures. Assuming:

- 5.1.1 all holders of the outstanding PCCS and Options convert or exercise their securities into Tiger Airways Shares and, accordingly, the Offeror does not receive any acceptances of the PCCS Offer and the Options Proposal;
- 5.1.2 all share awards (the “**Awards**”) granted under the Tiger Airways Group Restricted Share Plan and the Tiger Airways Group Performance Share Plan are vested;
- 5.1.3 all holders of the Offer Shares validly accept the Offer; and
- 5.1.4 the Offeror holds 100 per cent. of the Tiger Airways Shares as a result of the Offer,

the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the “**Listing Manual**”) in respect of the Offer are as follows:

Rule 1006	Bases	Offer	SIA Group	Relative Figures (%)
(b)	Net profits/(losses) attributable to the Offer Shares to be acquired, compared with the SIA Group’s net profits for HY2016 ⁽¹⁾ (S\$ million)	(6.5) ⁽²⁾	366.3	(1.8)
(c)	Consideration payable for the Offer ⁽³⁾ compared with the SIA Group’s market capitalisation ⁽⁴⁾ (S\$ million)	471.9	12,917.7	3.7
(d)	Number of Offeror Shares ⁽⁵⁾ issued by the Offeror as consideration for the Offer compared with the number of Offeror Shares previously in issue ⁽⁶⁾	42,495,477	1,163,309,605	3.7

Notes:

- (1) The net profits or losses before tax, minority interests and exceptional items attributable to the Offer Shares to be acquired for HY2016 have been compared with the SIA Group’s net profits before tax, minority interests and exceptional items for HY2016 based on the unaudited consolidated financial statements of Tiger Airways and the Offeror for HY2016.
- (2) This represents the additional share of Tiger Airways’ loss attributable to the Offer Shares to be acquired by the Offeror pursuant to the Offer and based on the assumptions set out at the start of this **paragraph 5.1**.
- (3) The aggregate amount of consideration is the Assumed Maximum Consideration of approximately S\$471.9 million, which is based on the current proposed terms of the Offer and which assumes that none of the Accepting Tiger Airways Shareholders exercise the Option to Subscribe.

- (4) The SIA Group's market capitalisation is based upon 1,163,309,605 Offeror Shares in issue (excluding treasury Offeror Shares) as at 5 November 2015, at a VWAP of S\$11.1043 per Offeror Share on 5 November 2015.
- (5) Based on the current proposed terms of the Offer and assuming that all the Accepting Tiger Airways Shareholders validly exercise the Option to Subscribe, the maximum number of Offeror Shares to be issued and/or transferred by the Offeror pursuant to or in connection with the Offer is 42,495,477 Offeror Shares.
- (6) The number of Offeror Shares previously in issue is 1,163,309,605 Offeror Shares as at 5 November 2015.

5.2 No Requirement for Shareholders' Approval. Rule 1007 of the Listing Manual provides that if any of the relative figures computed pursuant to Rule 1006 of the Listing Manual is a negative figure, Chapter 10 of the Listing Manual may be applicable to the transaction at the discretion of the SGX-ST and issuers should consult the SGX-ST. As the relative figure computed on the basis of Rule 1006(b) of the Listing Manual (the "**Rule 1006(b) Relative Figure**") in respect of the Offer is negative, the Offeror has sought the SGX-ST's confirmation that the requirement of shareholders' approval pursuant to Chapter 10 of the Listing Manual would not be applicable to the Offer. Following such consultation with the SGX-ST, the SGX-ST has advised that shareholders' approval pursuant to Chapter 10 of the Listing Manual is not applicable, subject to the provision of an opinion from the SIA Board that there will be no material change in the risk profile of SIA arising from the Offer and the basis of their opinion, which opinion should be disclosed in this Announcement.

5.3 SIA Board Opinion. The SIA Board has carefully considered the implications of the Offer, including the pro forma financial effects of the Offer on the SIA Group, and is of the opinion that there will be no material change in the risk profile of the SIA Group arising from the Offer.

In arriving at its opinion, the SIA Board has taken into account all relevant facts and circumstances, including the following:

- 5.3.1** SIA is already the holding company of Tiger Airways with a shareholding interest of approximately 55.77 per cent. An increased shareholding in Tiger Airways will not result in an expansion beyond SIA's existing core airline operations into a new geographical market and/or a new business sector. Instead, SIA believes that an increased shareholding in Tiger Airways and the eventual privatisation of Tiger Airways, via the Offer, will allow SIA to better achieve its existing strategy of offering services in all the segments in the airline business – premium, budget, short-haul and medium to long-haul;
- 5.3.2** pursuant to FRS 110, the SIA Group currently fully accounts for the results of Tiger Airways in its financial statements.⁴ Accordingly, the SIA Group is already engaged in the budget airline business through Tiger Airways and the Offer will not change the current risk profile of the SIA Group;

⁴ Page 162 of the Offeror Annual Report 2014/15.

- 5.3.3 the relative figures in respect of the Offer computed on the bases set out in Rules 1006(c) and 1006(d) of the Listing Manual are well under the 100 per cent. threshold at or above which the SGX-ST will, under Practice Note 10.1 of the Listing Manual, consider an acquisition to increase the scale of the existing operations of an issuer significantly; and
- 5.3.4 SIA has been consolidating Tiger Airways' results since the third quarter of the financial year ended 31 March 2015 ("FY2015") and has accounted for 100 per cent. of Tiger Airways' net earnings⁵ since then. SIA will not be accounting for any additional net loss as a result of the Offer (notwithstanding the negative Rule 1006(b) Relative Figure).

6. PRO FORMA FINANCIAL EFFECTS OF THE OFFER

6.1 Bases and Assumptions. The pro forma financial effects of the Offer set out below are for illustrative purposes only, and are neither indicative of the actual financial effects of the Offer on the consolidated net tangible assets ("NTA") per Offeror Share, the earnings per Offeror Share ("EPS"), the net gearing of the SIA Group, the working capital of the SIA Group and/or the share capital of the SIA Group, nor represent the actual or future financial position and/or results of the SIA Group immediately after the close of the Offer or upon the completion of the Offer. The pro forma financial effects of the Offer set out below have been prepared based on the audited consolidated financial statements of the SIA Group and Tiger Airways Group for FY2015 and on the following bases and assumptions:

- 6.1.1 all holders of the outstanding PCCS and Options convert or exercise their securities into Tiger Airways Shares and, accordingly, the Offeror does not receive any acceptances of the PCCS Offer and the Options Proposal;
- 6.1.2 all Awards are vested;
- 6.1.3 all holders of the Offer Shares validly accept the Offer;
- 6.1.4 the number of Offeror Shares to be issued and/or transferred by the Offeror pursuant to or in connection with the Offer based on the Offer Price and the Subscription Price is 42,495,477 Offeror Shares. The Offeror Shares to be issued and/or transferred pursuant to or in connection with the Offer will be satisfied first from the existing 30,000,000 treasury Offeror Shares and thereafter from 12,495,477 newly issued Offeror Shares; and
- 6.1.5 the Offeror holds 100 per cent. of the Tiger Airways Shares as a result of the Offer.

6.2 Effect on NTA per Offeror Share. For illustrative purposes only and assuming that the Offer had been completed on 31 March 2015, being the end of FY2015, the pro forma financial effects of the Offer on the consolidated NTA per Offeror Share are set out below:

⁵ Earnings refer to net profits or losses before tax, minority interests and exceptional items, as per the definition in Rule 1002(3)(b) of the Listing Manual.

	Before the Offer	After the Offer (assuming that all the holders of Offer Shares do not exercise the Option to Subscribe)	After the Offer (assuming that all the holders of Offer Shares exercise the Option to Subscribe)
Net Assets (S\$ million)	12,463.6	12,126.9	12,598.8
Less: Intangibles (S\$ million)	(497.6)	(497.6)	(497.6)
NTA (S\$ million)	11,966.0	11,629.3	12,101.2
Number of Offeror Shares	1,169,388,576	1,169,388,576	1,211,884,053
NTA per Offeror Share (S\$)	10.2	9.9	10.0

- 6.3 Effect on EPS.** For illustrative purposes only and assuming that the Offer had been completed on 1 April 2014, being the beginning of FY2015, the pro forma financial effects of the Offer on the EPS are set out below:

	Before the Offer	After the Offer (assuming that all the holders of Offer Shares do not exercise the Option to Subscribe)	After the Offer (assuming that all the holders of Offer Shares exercise the Option to Subscribe)
Profit before tax, minority interests and exceptional items (S\$ million)	408.4	284.7	284.7
Profit after tax and minority interests (S\$ million)	367.9	201.9	201.9
EPS – Basic (cents)	31.4	17.2	16.6
EPS – Diluted (cents)	31.2	17.1	16.5

Based on the pro forma financial effects of the Offer on the EPS of the SIA Group for FY2015, the Offer would have reduced the earnings of the Offeror. However, Tiger Airways stated in its FY2015

Annual Report⁶ that several one-off non-operating items contributed to its loss after tax: (i) an increased provision of S\$84 million for onerous aircraft leases compared with the previous financial year; (ii) a S\$18 million loss on planned disposal of two owned aircraft; (iii) a provision of S\$11 million which arose due to re-assessment of prior years' maintenance provisions for leased aircraft; (iv) a S\$37 million loss on the divestment of Tiger Airways Australia Pty Limited; and (v) a S\$47 million share of losses, and provision upon cessation of operations, in relation to PT Mandala Airlines. Collectively, these losses of S\$197 million form approximately 75 per cent. of Tiger Airways' loss after tax of S\$264 million in FY2015.

Based on the HY2016 Financial Statements, the Tiger Airways Group incurred S\$14.4 million in net loss after income tax, minority interests and extraordinary items for HY2016. In the accompanying news release to the HY2016 Financial Statements, Tiger Airways' Chief Executive Officer has stated that *"we are encouraged by the narrowing of losses in a seasonally weak quarter. We will work hard to deliver further improvements for the months ahead."*⁷

6.4 Effect on Net Gearing. For illustrative purposes only and assuming that the Offer had been completed on 31 March 2015, being the end of FY2015, the pro forma financial effects of the Offer on the net gearing of the SIA Group are set out below:

	Before the Offer	After the Offer (assuming that all the holders of Offer Shares do not exercise the Option to Subscribe)	After the Offer (assuming that all the holders of Offer Shares exercise the Option to Subscribe)
Total borrowings (S\$ million)	1,739.5	1,739.5	1,739.5
Total present value of operating leases (S\$ million)	4,657.6	4,657.6	4,657.6
Total adjusted debt (S\$ million)	6,397.1	6,397.1	6,397.1
Cash and cash equivalents (S\$ million)	5,254.1	4,782.2	5,254.1
Shareholders' funds (S\$ million)	12,463.6	12,126.9	12,598.8
Gross gearing (times)	0.14	0.14	0.14

⁶ Pages 48 and 80 of the Tiger Airways Annual Report 2014/15.

⁷ Page 1 of the media release dated 23 October 2015 released by Tiger Airways on SGXNET.

	Before the Offer	After the Offer (assuming that all the holders of Offer Shares do not exercise the Option to Subscribe)	After the Offer (assuming that all the holders of Offer Shares exercise the Option to Subscribe)
Gross gearing (times) – Adjusted ⁸	0.51	0.53	0.51
Net gearing (times)	(0.28)	(0.25)	(0.28)
Net gearing (times) – Adjusted ⁹	0.09	0.13	0.09

6.5 Effect on Working Capital. For illustrative purposes only and assuming that the Offer had been completed on 31 March 2015, being the end of FY2015, the pro forma financial effects of the Offer on the working capital (net current assets) of the SIA Group are set out below:

(S\$ million)	Before the Offer	After the Offer (assuming that all the holders of Offer Shares do not exercise the Option to Subscribe)	After the Offer (assuming that all the holders of Offer Shares exercise the Option to Subscribe)
Current assets	7,465.0	6,993.1	7,465.0
Current liabilities	6,782.5	6,782.5	6,782.5
Net current assets	682.5	210.6	682.5

6.6 Effect on Share Capital. For purely illustrative purposes only, the potential effects of the Offer on the issued share capital of the Offeror are as follows:

	Before the Offer	After the Offer (assuming that all the holders of Offer Shares do not exercise the Option to Subscribe)	After the Offer (assuming that all the holders of Offer Shares exercise the Option to Subscribe)
Number of Offeror Shares (excluding treasury Offeror Shares)	1,169,388,576	1,169,388,576	1,211,884,053

⁸ “Adjusted” means the calculation of gross gearing using total debt adjusted for the capitalised value of operating leases divided by shareholders’ funds.

⁹ “Adjusted” means the calculation of net gearing using total debt adjusted for the capitalised value of operating leases less cash and cash equivalents, and divided by shareholders’ funds.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

- 7.1 Interests.** As at the date hereof Temasek Holdings (Private) Limited, the controlling shareholder of the Offeror, has a deemed interest in 1,393,456,041 Tiger Airways Shares.

For details of holdings of the directors of the Offeror in Tiger Airways Shares, please refer to **appendix 1** to the Offer Announcement. Save as disclosed in this Announcement and in the Offer Announcement, none of the directors and controlling shareholders of the Offeror has any interest, direct or indirect, in the Tiger Airways Offers.

7.2 No Directors' Service Contracts

No person is proposed to be appointed to the board of the Offeror as part of the Tiger Airways Offers, and no director's service contract is proposed to be entered into by the Offeror with any person in connection with the Tiger Airways Offers.

8. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement. The directors of the Offeror jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Tiger Airways Group), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

By Order of the Board of
Singapore Airlines Limited

Ethel Tan (Mrs)
Company Secretary
6 November 2015

Any enquiries relating to this Announcement or the Tiger Airways Offers should be directed to the following during office hours:

DBS Bank Ltd.
Strategic Advisory

Tel: +65 6878 4620

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future and conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of Tiger Airways and the Offeror should not place undue reliance on such forward-looking statements. Neither the Offeror nor DBS guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

**Schedule
Offer Announcement**