

**SINGAPORE AIRLINES LIMITED**

(Incorporated in the Republic of Singapore)

Company Registration No. 197200078R

ANNOUNCEMENT**CONVERSION OF PERPETUAL CONVERTIBLE CAPITAL SECURITIES
OF TIGER AIRWAYS HOLDINGS LIMITED AND NOTIFICATION OF TIGER
AIRWAYS HOLDINGS LIMITED BECOMING A SUBSIDIARY**

1. Singapore Airlines Limited (the “**Company**”) refers to:
 - (i) the announcement dated 17 October 2014 made by Tiger Airways Holdings Limited (“**Tiger Airways**”) in relation to its proposed renounceable non-underwritten rights issue (the “**Tiger Airways Rights Issue**”); and
 - (ii) the announcement dated 17 October 2014 made by the Company (the “**SIA Announcement**”) in relation to an irrevocable undertaking (the “**SIA Undertaking**”) entered into by the Company in connection with the Tiger Airways Rights Issue.

Capitalised terms not defined herein shall have the meanings ascribed to them in the SIA Announcement.

2. The Company wishes to announce that pursuant to the terms of the SIA Undertaking, the Company has today (being the date on which the Tiger Airways Shares first trade ex-rights), converted all 189,390,367 non-voting perpetual convertible capital securities (the “**PCCS**”) issued by Tiger Airways held by it into 358,668,482 new Tiger Airways Shares (the “**Conversion Shares**”) at the adjusted conversion price of S\$0.565 (the “**PCCS Conversion**”). Following such conversion and allotment and issuance of the Conversion Shares:
 - (i) The Company no longer holds any PCCS and will hold in aggregate 753,219,482 Tiger Airways Shares, representing approximately 56.0 per cent. of the total number of issued Tiger Airways Shares¹.
 - (ii) The shareholding percentage interest of the Company in Tiger Airways will increase from approximately 40.0 per cent. to approximately 56.0 per cent. of the total number of issued Tiger Airways Shares and as a result, Tiger Airways will become a subsidiary of the Company².

¹ Based on 1,346,240,562 ordinary shares in the capital of Tiger Airways in issue as at the date of this Announcement and following the conversion of the PCCS by SIA and assuming that none of the holders of PCCS besides the Company have converted their PCCS.

² Although the Company will only acquire a majority of the voting rights in Tiger Airways following the PCCS conversion today, the Company has commenced consolidating the financial results of Tiger Airways as a subsidiary in its accounts since October 2014.

3. Pursuant to the terms and conditions of the PCCS, no consideration is payable by the Company to Tiger Airways in relation to the acquisition of new Tiger Airways Shares pursuant to the conversion of the PCCS.
4. The last traded price of Tiger Airways Shares is S\$0.33 on 4 December 2014. Based on the consolidated financial statements of Tiger Airways for the six months ended 30 September 2014, the consolidated net tangible asset value attributable to each Tiger Airways Share is S\$0.02.

By Order of the Board

Ethel Tan (Mrs)
Company Secretary
5 December 2014