



**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 2014**

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 2014.

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**1. CONSOLIDATED INCOME STATEMENT**  
**for the second quarter and half year ended 30 September 2014 (in SGD'000)**

	Notes	The Group		The Group	
		2 <sup>nd</sup> Quarter FY15	2 <sup>nd</sup> Quarter FY14	6 months FY15	6 months FY14
<b>Revenue</b>					
Passenger seat revenue		113,898	124,059	246,218	307,372
Ancillary revenue		32,807	39,783	69,527	92,646
<b>Total revenue</b>		<u>146,705</u>	<u>163,842</u>	<u>315,745</u>	<u>400,018</u>
<b>Expenses</b>					
Fuel costs:					
Actual fuel costs		71,531	77,950	150,924	174,914
Fuel hedging (gain)/loss		1,371	(386)	1,192	115
Staff costs		21,383	22,240	43,920	58,320
Aircraft rental		15,441	13,335	33,534	33,493
Airport and handling		21,282	22,555	44,818	49,638
Maintenance, material and repair		18,256	17,337	35,778	42,605
Route charges		5,140	5,699	10,364	16,441
Marketing and distribution costs		3,554	4,225	6,548	11,203
Depreciation and amortisation		7,899	8,420	16,321	17,235
Exchange (gain)/loss		3,016	52	6,358	2,964
Others		3,126	5,221	7,684	12,103
<b>Total expenses</b>		<u>171,999</u>	<u>176,648</u>	<u>357,441</u>	<u>419,031</u>
<b>Operating profit/(loss)</b>	1a	(25,294)	(12,806)	(41,696)	(19,013)
Finance income		588	2,217	1,226	3,840
Finance expense		(1,887)	(2,214)	(3,818)	(4,424)
Gain/(loss) on disposal of aircraft		1,167	1,058	1,167	1,891
Share of gain/(loss) of associates and joint venture		–	(23,963)	(35,328)	(50,519)
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	3d	(59,766)	–	(59,766)	–
Provision for onerous aircraft leases	1b	(99,326)	–	(99,326)	–
Gain on loss of control of subsidiary		–	106,078	–	106,078
Impairment of associates		–	(48,307)	–	(48,307)
<b>Profit/(loss) before taxation</b>		<u>(186,518)</u>	<u>22,063</u>	<u>(254,155)</u>	<u>(10,454)</u>
Taxation		4,136	1,758	6,551	1,506
<b>Profit/(loss) for the period</b>		<u>(182,382)</u>	<u>23,821</u>	<u>(247,604)</u>	<u>(8,948)</u>
<b>Earnings/(loss) per share (cents)</b>					
Basic	1c	(18.47)	2.42	(25.08)	(0.91)
Diluted		(18.47)	1.86	(25.08)	(0.91)

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

## NOTES TO CONSOLIDATED INCOME STATEMENT

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

	The Group		The Group	
	2 <sup>nd</sup> Quarter FY15	2 <sup>nd</sup> Quarter FY14	6 months FY15	6 months FY14
Amortisation of deferred income	(588)	(603)	(1,189)	(1,683)
Property, plant and equipment written off	(195)	–	(195)	–
Operating lease rental	16,016	14,158	35,089	35,967
Net fair value (gain)/loss on foreign currency forward contracts	207	(316)	254	(194)
	<u>207</u>	<u>(316)</u>	<u>254</u>	<u>(194)</u>

1b. Provision for onerous aircraft leases

The Group has made a one-off accounting provision of SGD 93.0m for 12 surplus aircraft that are to be subleased to InterGlobe Aviation Limited (“IndiGo”), up to the point at which these aircraft are expected to be returned to the Group network or to the lessors, whichever is earlier. In addition, the provision assumes no further sublease income from four aircraft that are not immediately required by the Singapore operations upon their return from IndiGo. Compared to the idling of these 12 aircraft, this sublease agreement will significantly reduce the Group’s cash flow burden by about SGD 162.0m over the sublease periods.

In view that the Group may further trim its fleet by a further two to four aircraft during its review of network operations, the Group made a one-off accounting provision of SGD 6.3m for these aircraft.

1c. Earnings/(loss) per share

Earnings/(loss) per share (cents)	The Group			
	2 <sup>nd</sup> Quarter FY15	2 <sup>nd</sup> Quarter FY14	6 months FY15	6 months FY14
- Basic <sup>1</sup>	(18.47)	2.42	(25.08)	(0.91)
- Diluted	(18.47) <sup>3</sup>	1.86 <sup>2</sup>	(25.08) <sup>3</sup>	(0.91) <sup>3</sup>

<sup>1</sup> Computed based on the weighted average number of ordinary shares outstanding during the period.

<sup>2</sup> Computed based on the weighted average number of ordinary shares outstanding during the period, after adjusting for the effects of dilutive share options and awards under the equity compensation plans and perpetual convertible capital securities.

<sup>3</sup> 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).

**2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**for the second quarter and half year ended 30 September 2014 (in SGD'000)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter FY15	2 <sup>nd</sup> Quarter FY14	6 months FY15	6 months FY14
<b>Profit/(loss) for the period</b>	<u>(182,382)</u>	<u>23,821</u>	<u>(247,604)</u>	<u>(8,948)</u>
<b>Other comprehensive income/(expense):</b>				
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Foreign currency translation	–	9,290	–	18,606
Net fair value changes on cash flow hedges	<u>(9,021)</u>	<u>(634)</u>	<u>(6,781)</u>	<u>113</u>
<b>Other comprehensive income/(expense) for the period, net of tax</b>	<u>(9,021)</u>	<u>8,656</u>	<u>(6,781)</u>	<u>18,719</u>
<b>Total comprehensive income/(expense) for the period</b>	<u><u>(191,403)</u></u>	<u><u>32,477</u></u>	<u><u>(254,385)</u></u>	<u><u>9,771</u></u>

### 3. STATEMENTS OF FINANCIAL POSITION as at 30 September 2014 (in SGD'000)

	Notes	The Group		The Company	
		30 September 2014	31 March 2014	30 September 2014	31 March 2014
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	3c	533,427	569,532	354,334	385,232
Intangible assets		93	226	93	226
Investment in subsidiaries		–	–	24,355	24,355
Investment in associate and joint venture	3d	–	–	–	20,501
Long-term investment		8,304	–	–	–
Deferred tax assets		12,066	2,260	–	–
Prepayments		37,119	33,473	4,119	4,119
Loans to subsidiaries		–	–	8,308	–
Loans to associate and joint venture		–	33,090	–	33,090
Other receivables		10,588	9,942	–	–
		<u>601,597</u>	<u>648,523</u>	<u>391,209</u>	<u>467,523</u>
<b>Current assets</b>					
Prepayments		10,177	10,018	131	265
Amounts due from subsidiaries		–	–	176	28
Amounts due from associate and joint venture		2,370	3,096	–	1,945
Loans to associate and joint venture		–	8,496	–	8,496
Trade receivables		6,930	4,928	–	–
Other receivables		37,323	110,461	2,588	81,679
Derivative financial instruments		–	805	–	–
Cash and cash equivalents		135,573	171,581	114,559	156,319
		<u>192,373</u>	<u>309,385</u>	<u>117,454</u>	<u>248,732</u>
Assets related to planned disposal of a joint venture	3d	20,707	–	20,707	–
<b>Total assets</b>		<u>814,677</u>	<u>957,908</u>	<u>529,370</u>	<u>716,255</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital		485,017	484,475	485,017	484,475
Perpetual convertible capital securities		218,087	218,087	218,087	218,087
Accumulated profits/(losses)		(676,661)	(426,866)	(628,502)	(410,666)
Other reserves		(3,795)	2,994	769	777
<b>Total equity</b>	3b	<u>22,648</u>	<u>278,690</u>	<u>75,371</u>	<u>292,673</u>
<b>Non-current liabilities</b>					
Provisions	1b	80,963	11,899	66,738	–
Deferred income		12,214	13,353	–	–
Deferred tax liabilities		7,125	5,474	7,125	5,474
Loans	3a	288,491	306,976	182,935	194,409
Other payables		17,891	17,718	17,891	17,718
		<u>406,684</u>	<u>355,420</u>	<u>274,689</u>	<u>217,601</u>
<b>Current liabilities</b>					
Provisions	1b	66,339	36,931	43,013	20,164
Deferred income		2,383	2,618	11	59
Sales in advance of carriage		74,293	70,881	–	–
Provision for taxation		100	83	10	10
Loans	3a	56,756	53,081	42,828	39,317
Amounts due to subsidiaries		–	–	54,558	128,442
Amounts due to associate and joint venture		–	–	3,410	–
Trade payables		128,092	129,222	–	–
Other payables		17,526	29,185	5,048	17,989
Derivative financial instruments		9,424	1,797	–	–
		<u>354,913</u>	<u>323,798</u>	<u>148,878</u>	<u>205,981</u>
Liabilities related to planned disposal of a joint venture	3d	30,432	–	30,432	–
<b>Total liabilities</b>		<u>792,029</u>	<u>679,218</u>	<u>453,999</u>	<u>423,582</u>
<b>Total equity and liabilities</b>		<u>814,677</u>	<u>957,908</u>	<u>529,370</u>	<u>716,255</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 2014		As at 31 March 2014	
Secured	Unsecured	Secured	Unsecured
36,756	20,000	53,081	–

- (ii) Amount repayable after one year

As at 30 September 2014		As at 31 March 2014	
Secured	Unsecured	Secured	Unsecured
288,491	–	306,976	–

- (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 2014	31 March 2014	30 September 2014	31 March 2014
Net asset value per ordinary share (SGD) <sup>1</sup>	0.02	0.28	0.08	0.30

<sup>1</sup> Computed by dividing net asset value by the number of ordinary shares outstanding as at the end of the respective reporting periods.

##### 3c. Group's property, plant and equipment

The Group's property, plant and equipment decreased by SGD 36.1m to SGD 533.4m mainly due to sale of aircraft to Tigerair Taiwan.

##### 3d. Investment in associates and joint venture

The Group entered into a Sale and Purchase Agreement with Virgin Australia Holdings Limited on 16 October 2014 to dispose its remaining 40% share in joint venture company, Tiger Airways Australia Pty Ltd ("Tigerair Australia"). Accordingly, at the end of the quarter, the Group classified assets relating to Tigerair Australia as planned disposal of joint venture and provided for estimated costs directly associated with the transaction. The Group has recorded a SGD 59.8m charge in relation to this planned divestment after taking into account impairment of shareholder's loan, the potential loss from the taking over of the new aircraft deliveries from Tigerair Australia and other contractual liabilities to third party vendors arising from this divestment.

**4. STATEMENTS OF CHANGES IN EQUITY**  
**for the second quarter and half year ended 30 September 2014 (in SGD'000)**

4a. Statement of changes in equity of the Group

	Share capital	Perpetual convertible capital securities	Accumulated profits/(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
Profit/(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/</u> <u>(distributions to)</u> <u>owners</u>							
Distribution on perpetual convertible capital securities <sup>1</sup>	–	–	(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

<sup>1</sup> On 25 September 2014, the Company has announced that a distribution on perpetual convertible capital securities shall be payable on 23 October 2014.

#### 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 profits/(losses)	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	Total
Balance at 1 July 2013	483,806	218,087	(232,869)	(1,200)	1,598	317	469,739
Profit/(loss) for the period	–	–	23,821	–	–	–	23,821
Other comprehensive income for the period, net of tax	–	–	–	9,290	–	(634)	8,656
Total comprehensive income for the period	–	–	23,821	9,290	–	(634)	32,477
<u>Contributions by/ (distributions to) owners</u>							
Distribution on perpetual convertible capital securities <sup>1</sup>	–	–	(2,202)	–	–	–	(2,202)
Equity settled share-based compensation expense	–	–	–	–	(454)	–	(454)
Exercise of employee share options and vesting of share awards	904	–	–	–	(875)	–	29
Total transactions with owners in their capacity as owners	904	–	(2,202)	–	(1,329)	–	(2,627)
Balance at 30 September 2013	484,710	218,087	(211,250)	8,090	269	(317)	499,589

<sup>1</sup> On 27 September 2013, the Company has announced that a distribution on perpetual convertible capital securities shall be payable on 22 October 2013.



#### 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 profits/(losses)	Share-based compensation reserve	Total
Balance at 1 July 2014	484,475	218,087	(434,920)	1,170	268,812
Profit/(loss) for the year	–	–	(191,391)	–	(191,391)
Total comprehensive income for the year	–	–	(191,391)	–	(191,391)
<u>Contributions</u>					
<u>by/(distributions to) owners</u>					
Distribution on perpetual convertible capital securities <sup>1</sup>	–	–	(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

<sup>1</sup> On 25 September 2014, the Company has announced that a distribution on perpetual convertible capital securities shall be payable on 23 October 2014.

#### 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 profits/(losses)	Share-based compensation reserve	Total
Balance at 1 July 2013	483,806	218,087	(140,179)	1,598	563,312
Profit/(loss) for the year	–	–	(96,112)	–	(96,112)
Total comprehensive income for the year	–	–	(96,112)	–	(96,112)
<u>Contributions</u>					
<u>by/(distributions to) owners</u>					
Distribution on perpetual convertible capital securities <sup>1</sup>	–	–	(2,202)	–	(2,202)
Equity settled share-based compensation expense	–	–	–	(454)	(454)
Exercise of employee share options and vesting of share awards	904	–	–	(875)	29
Total transactions with owners in their capacity as owners	904	–	(2,202)	(1,329)	(2,627)
Balance at 30 September 2013	484,710	218,087	(238,493)	269	464,573

<sup>1</sup> On 27 September 2013, the Company has announced that a distribution on perpetual convertible capital securities shall be payable on 22 October 2013.

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

##### 4c. Share capital

###### Issued share capital

At 30 September 2014, the number of ordinary shares in issue was 987,563,226 (31 March 2014: 986,415,826). The Company did not hold any treasury shares as at 30 September 2014 and 2013.

	Number of Shares	Share Capital SGD'000
Balance at 1 July 2014	986,415,826	484,475
Shares vested under Restricted Share Plan	654,700	340
Shares granted under CEO restricted share grant	492,700	202
	<hr/>	<hr/>
Balance at 30 September 2014	<u>987,563,226</u>	<u>485,017</u>

At 30 September 2014, the number of perpetual convertible capital securities ("PCCS") in issue was 205,253,978 which are convertible into 296,786,157 fully paid-up new shares of the Company.

###### 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 is 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 Pre-IPO Tiger Airways Share Options Scheme of Tigerair Singapore were replaced by options of the Scheme. The grant date is assumed 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 2014 to 30 September 2014, there were no options exercised under the Scheme. At 30 September 2014, the number of outstanding share options of the Company was 10,865 (30 September 2013: 148,015).

Expiry Period	Exercise Price (SGD) <sup>1</sup>	Number of Options
Between 1 April 2017 and 31 March 2018	0.12	805
Between 1 April 2019 and 31 March 2020	0.12	10,060
		<hr/>
Total		<u>10,865</u>

<sup>1</sup> Following the completion of the 2011 Rights Issue in November 2011, the Remuneration Committee approved a reduction in the exercise prices of the share options outstanding on 11 June 2012. The exercise price disclosed is the exercise price after reduction.

#### 4. STATEMENTS OF CHANGES IN EQUITY (in SGD'000) (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") and Performance Share Plan ("PSP"). The first grants of RSP and PSP were made on 1 September 2010.

The final number of performance shares to be awarded under the PSP would be dependent on the achievement of pre-determined targets over a three-year period. The awards could range between 0% and 200% of the initial grant of the performance shares. There are no pre-determined business targets for RSP grants. The restricted share awards will vest in three equal instalments over a period of three years, while the performance share awards will vest only at the end of three years if the targets are met, which is based on total shareholder return.

At 30 September 2014, the number of outstanding share awards granted under the RSP and PSP were 3,288,500 (30 September 2013: 10,580) and 3,914,400 (30 September 2013: 303,724) respectively.

Date of Grant	Balance at 1 July 2014	Granted	Vested	Cancelled	Balance at 30 September 2014
<b>RSP</b>					
30 Oct 2013	2,304,400		(620,100)	(579,700)	1,104,600
11 Feb 2014	104,100		(34,600)	(29,000)	40,500
13 Aug 2014	-	2,143,400	-	-	2,143,400
	2,408,500	2,143,400	(654,700)	(608,700)	3,288,500
<b>PSP</b>					
18 Aug 2011	29,204	-	-	(29,204)	-
30 Oct 2013	5,577,700	-	-	(1,865,500)	3,712,200
11 Feb 2014	346,600	-	-	(144,400)	202,200
	5,953,504	-	-	(2,039,104)	3,914,400
<b>CEO restricted share grant</b>					
13 Aug 2014	-	492,700	(492,700)	-	-
	-	492,700	(492,700)	-	-

**5. CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for the second quarter and half year ended 30 September 2014 (in SGD'000)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter FY15	2 <sup>nd</sup> Quarter FY14	6 months FY15	6 months FY14
<b>Cash flows from operating activities:</b>				
Profit/(loss) before taxation	(186,518)	22,063	(254,155)	(10,454)
Adjustments for :				
Depreciation of property, plant and equipment	7,809	8,225	16,067	16,845
Amortisation of intangible assets	90	195	254	390
Amortisation of deferred income	(588)	(603)	(1,189)	(1,683)
Amortisation of maintenance reserve payment	51	(142)	100	79
Share-based compensation expense	152	(338)	545	(224)
Gain on disposal of aircraft	(1,167)	(1,058)	(1,167)	(1,891)
Property, plant and equipment written off	195	–	195	–
Share of loss of associates and joint venture	–	23,963	35,328	50,519
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	–
Impairment of associates	–	48,307	–	48,307
Gain on loss of control of subsidiary	–	(106,078)	–	(106,078)
Interest expense	1,741	1,958	3,533	3,939
Interest income	(588)	(2,217)	(1,226)	(3,840)
Unrealised exchange differences	247	(407)	261	6,815
<b>Operating cash flows before working capital changes</b>	<u>(17,484)</u>	<u>(6,132)</u>	<u>(25,748)</u>	<u>2,724</u>
Increase in inventories	–	(291)	–	(264)
(Increase)/decrease in trade and other receivables	(2,841)	(3,021)	70,564	(7,102)
Increase in sales in advance of carriage	10,057	2,811	3,412	10,443
(Decrease)/ increase in provisions, trade and other payables	(20,812)	6,055	(26,930)	(8,104)
(Decrease)/ increase in deferred income	(241)	5,886	(185)	5,657
Increase in prepayments	(3,453)	(6,522)	(3,805)	(5,812)
(Increase)/decrease in amounts due from joint venture	(65)	(922)	726	(922)
<b>Cash flows from/(used in) operations</b>	<u>(34,839)</u>	<u>(2,136)</u>	<u>18,034</u>	<u>(3,380)</u>
Interest received	500	2,301	1,052	3,691
Income tax paid	(194)	(130)	(198)	(206)
<b>Net cash flows from/(used in) operating activities</b>	<u>(34,533)</u>	<u>35</u>	<u>18,888</u>	<u>105</u>
<b>Cash flows from investing activities:</b>				
Purchase of property, plant and equipment	(32,521)	(83,794)	(33,800)	(194,620)
Proceeds from disposal of property, plant and equipment	54,864	190,158	54,864	292,034
Additions to intangible assets	(102)	–	(121)	–
Funding of associate activities	(13,833)	(38,090)	(38,493)	(38,090)
Loans to joint venture	(7,546)	(32,134)	(8,455)	(56,635)
Long-term investment	–	–	(8,304)	–
Net cash inflow from loss of control of subsidiary	–	29,530	–	29,530
<b>Net cash flows from/(used in) investing activities</b>	<u>862</u>	<u>65,670</u>	<u>(34,309)</u>	<u>32,219</u>
<b>Cash flows from financing activities:</b>				
Net proceeds from 2013 Rights Issue	–	–	–	75,576
Net proceeds from perpetual convertible capital securities	–	–	–	218,140
Distribution on perpetual convertible capital securities	(2,190)	–	(2,190)	–
Proceeds from exercise of employee share options	–	29	–	34
Repayments of bank loans	(13,615)	(76,274)	(34,810)	(119,952)
Proceeds from bank loans	20,000	–	20,000	14,415
Interest paid	(1,761)	(2,340)	(3,587)	(5,171)
<b>Net cash flows from/(used in) financing activities</b>	<u>2,434</u>	<u>(78,585)</u>	<u>(20,587)</u>	<u>183,042</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>(31,237)</u>	<u>(12,880)</u>	<u>(36,008)</u>	<u>215,366</u>
Effect of exchange rate changes on cash and cash equivalents	–	392	–	–
Cash and cash equivalents at beginning of the period	166,810	345,082	171,581	117,228
<b>Cash and cash equivalents at end of the period</b>	<u>135,573</u>	<u>332,594</u>	<u>135,573</u>	<u>332,594</u>

## 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 2014. 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 2014.

## 8. REVIEW OF GROUP FINANCIAL PERFORMANCE AND POSITION

- 8a. Group financial performance

### 2<sup>nd</sup> quarter

The Group posted an operating loss of SGD 25.3m for the second quarter this year. This was SGD 12.5m higher than the same period a year ago, primarily due to weaker operating results of Tigerair Singapore.

Tigerair Singapore reported an operating loss of SGD 31.3m as a result of 10.4% decline in yields, and 3.1% increase in unit cost. Revenue fell SGD 7.4m (-4.9%) to SGD 143.9m, on the back of weaker yields, partially mitigated by higher traffic volume. Operating expenses went up by SGD 5.8m (+3.4%) to SGD 175.2m mainly due to higher traffic and foreign exchange loss arising from appreciation of United State Dollar (“USD”) against Singapore Dollar (“SGD), partially offset by lower fuel cost.

The Group’s results were further worsened by the SGD 99.3m provision for onerous aircraft leases (mainly SGD 93.0m from IndiGo deal) and the SGD 59.8m loss on planned disposal of a joint venture. Consequently, the Group reported a net loss of SGD 182.4m for the quarter ended 30 September 2014.

### 6 months

Group revenue decreased by SGD 84.3m (-21.1%) to SGD 315.7m and Group expenses reduced by SGD 61.6m (-14.7%) to SGD 357.4m for the six months in FY15. The contraction in revenue and expenses was mainly attributable to the exclusion of Tigerair Australia as the airline ceased to be a subsidiary of the Group with effect from 8 July 2013.

Tigerair Singapore recorded an operating loss of SGD 51.1m for 6M FY15 due to a 0.7% drop in revenue and 11.3% increase in operating expenses. Revenue fell SGD 2.3m to SGD 309.9m, as a result of 10.9% deterioration in yields, partially offset by higher traffic volume. Operating expenses rose by SGD 36.7m to SGD 361.0m due to expansion in capacity and higher maintenance rates.

The Group reported a net loss of SGD 247.6m for the six months ended 30 September 2014, compared to a loss of SGD 8.9m a year ago. The net loss for the six months was exacerbated largely by the SGD 99.3m provision for onerous aircraft leases, SGD 59.8m loss on planned disposal of a joint venture and the absence of SGD 106.1m gain on loss of control of Tigerair Australia which took place in July 2013.

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

### 8b. Group financial position

Group equity at 30 September 2014 was SGD 22.6m, a decrease of SGD 256.0m from the position at 31 March 2014. This was mainly due to the net loss of SGD 247.6m for the six months.

Group assets at 30 September 2014 was SGD 814.7m, a decrease of SGD 143.2m or 15.0% from the position at 31 March 2014. The decrease in total assets was mainly due to a drop in cash by SGD 36.0m and other receivables by SGD 72.5m following the receipt of net refund arising from cancellation of nine aircraft order. The Group deployed these funds to finance the six months operating activities of Tigerair Singapore and PT Mandala Airlines and repayment of bank loans.

As at 30 September 2014, the Group's total liabilities increased by SGD 112.8m (or 16.6%) to SGD 792.0m. This was mainly due to SGD 84.7m higher provision for onerous aircraft leases, SGD 30.4m estimated liabilities related to the planned disposal of TT and SGD 11.4m increase in provision for shutdown costs attributable to the cessation of PT Mandala Airlines' operations, partially offset by SGD 14.8m net repayment of bank loans.

The Group's net current liabilities position increased from SGD 14.4m as at 31 March 2014 to SGD 172.3m as at 30 September 2014. The Group has announced that it is proposing to undertake a renounceable non-underwritten rights issue (the "Rights Issue") to raise gross proceeds of up to approximately SGD 234m. The Rights Issue will be used to strengthen the Group's balance sheet by increasing its equity base and meet its general corporate funding requirements. Taking into consideration the undertaking provided by Singapore Airlines Limited ("SIA") to subscribe for rights shares amounting up to SGD 140m under the proposed Rights Issue, as well as funds from financing facilities and proceeds from the sale of tickets in advance of carriage, the Group expects to meet its commitments and pay its debts as and when they fall due.

At 30 September 2014, the Group has provided guarantees to certain aircraft lessors to cover obligations of the Group's associates. The Group has also provided guarantees to various aircraft lessors, suppliers and banks for joint venture.

The Group is in discussions with a party on the settlement of liabilities in its divestment of an overseas associate. Pending the outcome of the discussion, an additional provision of USD 2m has been made.

### 8c. Group cashflow

The Group's cash and cash equivalents decreased by SGD 36.0m from SGD 171.6m as at 31 March 2014 to SGD 135.6m as at 30 September 2014. This was mainly due to net cash outflows from investing activities of SGD 34.3m and financing activities of SGD 20.6m, partially offset by net cash inflow from operating activities of SGD 18.9m.

Net cash outflow from investing activities of SGD 34.3m was mainly due to the funding extended to PT Mandala for its operating activities and shutdown costs, loans to joint venture and long-term investment, partially offset by net proceeds from disposal of property, plant and equipment.

Net cash outflow from financing activities of SGD 20.6m was mainly due to net repayment of bank loans.

Net cash inflow from operating activities of SGD 18.9m was mainly due to receipt of net refund arising from the cancellation of nine aircraft order, partially offset by cash used in operations of Tigerair Singapore.

## 9. VARIANCE FROM FORECAST OR PROSPECT STATEMENT

No forecast or prospect statement was provided.

## 10. OUTLOOK

Going forward, the Group expects yield and load factors to remain under pressure. It will continue to focus on managing costs and optimising yields.

## 11. DIVIDEND

No dividend has been declared for the quarter ended 30 September 2014 (30 September 2013: 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)
	<b>2<sup>nd</sup> Quarter FY15</b>	<b>2<sup>nd</sup> Quarter FY15</b>
Singapore Technologies Engineering Ltd	–	SGD 330,880
SATS Limited and its Associates	–	SGD 27,210,000
Singapore Airlines Limited <sup>1</sup>	–	–
Temasek Holdings (Private) Limited and its Associates	–	SGD 294,924
<b>Total Interested Person Transactions</b>	–	<b>SGD 27,835,804</b>

<sup>1</sup> 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  
17 October 2014



### **13. 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 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors

**HSIEH FU HUA**  
**Chairman**

**LEE LIK HSIN**  
**Group Chief Executive Officer**

Singapore, 17 October 2014