



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

**FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS
ENDED 31 DECEMBER 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 third quarter and nine months ended 31 December 2014

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1. CONSOLIDATED INCOME STATEMENT
for the third quarter and nine month ended 31 December 2014 (in SGD'000)

	Notes	3 rd Quarter FY15	The Group 3 rd Quarter FY14	Increase/ (decrease) %	9 months FY15	The Group 9 months FY14	Increase/ (decrease) %
Revenue							
Passenger seat revenue		148,263	131,175	13.0	394,481	438,547	(10.0)
Ancillary revenue		34,000	40,951	(17.0)	103,527	133,596	(22.5)
Total revenue		<u>182,263</u>	<u>172,126</u>	<u>5.9</u>	<u>498,008</u>	<u>572,143</u>	<u>(13.0)</u>
Expenses							
Fuel costs:							
Actual fuel costs		65,177	82,689	(21.2)	216,101	257,603	(16.1)
Fuel hedging (gain)/loss		10,133	(651)	nm	11,325	(536)	nm
Staff costs		20,792	23,994	(13.3)	64,712	82,315	(21.4)
Aircraft rental		15,708	14,530	8.1	49,242	48,023	2.5
Airport and handling		22,468	24,080	(6.7)	67,286	73,718	(8.7)
Maintenance, material and repair		18,275	16,990	7.6	54,053	59,595	(9.3)
Route charges		5,290	5,709	(7.3)	15,654	22,150	(29.3)
Marketing and distribution costs		3,523	3,456	1.9	10,071	14,660	(31.3)
Depreciation and amortisation		8,231	8,463	(2.7)	24,552	25,698	(4.5)
Exchange (gain)/loss		3,776	(3,024)	nm	10,134	(60)	nm
Others		4,795	4,682	2.4	12,479	16,783	(25.6)
Total expenses		<u>178,168</u>	<u>180,918</u>	<u>(1.5)</u>	<u>535,609</u>	<u>599,949</u>	<u>(10.7)</u>
Operating profit/(loss)	1a	4,095	(8,792)	nm	(37,601)	(27,806)	35.2
Finance income		366	1,653	(77.9)	1,592	5,493	(71.0)
Finance expense		(2,019)	(2,063)	(2.1)	(5,837)	(6,486)	(10.0)
Gain/(loss) on disposal of aircraft		–	(272)	100.0	1,167	1,619	(27.9)
Share of gain/(loss) of associates and joint venture		–	(23,066)	100.0	(35,328)	(73,586)	(52.0)
Shutdown costs of PT Mandala Airlines		2,804	–	nm	(11,810)	–	nm
Loss on disposal of an associate		(2,618)	–	nm	(4,618)	–	nm
Loss arising from planned disposal of a joint venture and an associate		–	(30,330)	100.0	(59,766)	(30,330)	97.1
Provision for onerous aircraft leases		–	–	–	(99,326)	–	nm
Gain on loss of control of subsidiary		–	–	–	–	106,078	(100.0)
Impairment of associates		–	(57,959)	100.0	–	(106,265)	100.0
Profit/(loss) before taxation		<u>2,628</u>	<u>(120,829)</u>	<u>nm</u>	<u>(251,527)</u>	<u>(131,283)</u>	<u>91.6</u>
Taxation		(435)	2,293	nm	6,116	3,799	61.0
Profit/(loss) for the period		<u>2,193</u>	<u>(118,536)</u>	<u>nm</u>	<u>(245,411)</u>	<u>(127,484)</u>	<u>92.5</u>
Earnings/(loss) per share (cents)							
Basic	1b	0.20	(12.02)		(23.89)	(12.93)	
Diluted		0.17	(12.02)		(23.89)	(12.93)	

nm – not meaningful

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	
	3 rd Quarter FY15	3 rd Quarter FY14	9 months FY15	9 months FY14
Amortisation of deferred income	(581)	(617)	(1,770)	(2,300)
Property, plant and equipment written off	-	-	195	-
Operating lease rental	16,611	16,337	51,700	51,484
Net fair value (gain)/loss on foreign currency forward contracts	<u>(438)</u>	<u>(173)</u>	<u>(184)</u>	<u>(511)</u>

1b. Earnings/(loss) per share

Earnings/(loss) per share (cents)	The Group			
	3 rd Quarter FY15	3 rd Quarter FY14	9 months FY15	9 months FY14
- Basic ¹	0.20	(12.02)	(23.89)	(12.93)
- Diluted	0.17 ²	(12.02) ³	(23.89) ³	(12.93) ³

¹ Computed based on the weighted average number of ordinary shares outstanding during the period.

² 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.

³ 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 third quarter and nine months ended 31 December 2014 (in SGD'000)

	The Group		The Group	
	3 rd Quarter FY15	3 rd Quarter FY14	9 months FY15	9 months FY14
Profit/(loss) for the period	2,193	(118,536)	(245,411)	(127,484)
Other comprehensive income/(expense):				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation	–	(1,260)	–	17,346
Net fair value changes on cash flow hedges	(24,787)	3,907	(31,568)	4,020
Other comprehensive income/(expense) for the period, net of tax	(24,787)	2,647	(31,568)	21,366
Total comprehensive income/(expense) for the period	<u>(22,594)</u>	<u>(115,889)</u>	<u>(276,979)</u>	<u>(106,118)</u>

3. STATEMENTS OF FINANCIAL POSITION as at 31 December 2014 (in SGD'000)

	Notes	The Group		The Company	
		31 December 2014	31 March 2014	31 December 2014	31 March 2014
ASSETS					
Non-current assets					
Property, plant and equipment	3c	525,268	569,532	349,319	385,232
Intangible assets		127	226	127	226
Investment in subsidiaries		–	–	24,355	24,355
Investment in associate and joint venture		–	–	–	20,501
Long-term investment		8,304	–	–	–
Deferred tax assets		17,182	2,260	–	–
Prepayments		39,696	33,473	4,119	4,119
Loans to subsidiaries		–	–	8,308	–
Loans to associate and joint venture		–	33,090	–	33,090
Other receivables		11,424	9,942	–	–
		<u>602,001</u>	<u>648,523</u>	<u>386,228</u>	<u>467,523</u>
Current assets					
Prepayments		8,124	10,018	127	265
Amounts due from subsidiaries		–	–	198	28
Amounts due from associate and joint venture		–	3,096	–	1,945
Loans to associate and joint venture		–	8,496	–	8,496
Trade receivables		10,001	4,928	–	–
Other receivables	3e	266,077	110,461	230,278	81,679
Derivative financial instruments	3d	2,073	805	–	–
Cash and cash equivalents		99,513	171,581	84,729	156,319
		<u>385,788</u>	<u>309,385</u>	<u>315,332</u>	<u>248,732</u>
Assets related to planned disposal of a joint venture		20,175	–	20,175	–
Total assets		<u>1,007,964</u>	<u>957,908</u>	<u>721,735</u>	<u>716,255</u>
EQUITY AND LIABILITIES					
Equity					
Share capital		688,102	484,475	688,102	484,475
Unissued Rights Shares	3e	227,421	–	227,421	–
Perpetual convertible capital securities		15,002	218,087	15,002	218,087
Accumulated profits/(losses)		(674,468)	(426,866)	(634,484)	(410,666)
Other reserves		(28,582)	2,994	769	777
Total equity	3b	<u>227,475</u>	<u>278,690</u>	<u>296,810</u>	<u>292,673</u>
Non-current liabilities					
Provisions		82,467	11,899	66,156	–
Deferred income		11,645	13,353	–	–
Deferred tax liabilities		7,464	5,474	7,464	5,474
Loans	3a	279,184	306,976	177,166	194,409
Other payables		18,557	17,718	18,557	17,718
		<u>399,317</u>	<u>355,420</u>	<u>269,343</u>	<u>217,601</u>
Current liabilities					
Provisions		40,235	36,931	27,363	20,164
Deferred income		2,367	2,618	101	59
Sales in advance of carriage		70,244	70,881	–	–
Provision for taxation		119	83	10	10
Loans	3a	36,952	53,081	22,933	39,317
Amounts due to subsidiaries		–	–	67,028	128,442
Amounts due to associate and joint venture		1,040	–	2,286	–
Trade payables		137,274	129,222	–	–
Other payables		20,231	29,185	5,446	17,989
Derivative financial instruments	3d	42,295	1,797	–	–
		<u>350,757</u>	<u>323,798</u>	<u>125,167</u>	<u>205,981</u>
Liabilities related to planned disposal of a joint venture		30,415	–	30,415	–
Total liabilities		<u>780,489</u>	<u>679,218</u>	<u>424,925</u>	<u>423,582</u>
Total equity and liabilities		<u>1,007,964</u>	<u>957,908</u>	<u>721,735</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 31 December 2014		As at 31 March 2014	
Secured	Unsecured	Secured	Unsecured
36,952	–	53,081	–

(ii) Amount repayable after one year

As at 31 December 2014		As at 31 March 2014	
Secured	Unsecured	Secured	Unsecured
279,184	–	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	
	31 December 2014	31 March 2014	31 December 2014	31 March 2014
Net asset value before Unissued Rights Shares per ordinary share (cents) ¹	0.00 ³	28.25	5.14	29.67
Net asset value per ordinary share after adjusting for issuance of Rights Shares (cents)	9.11 ²	28.25	11.89 ²	29.67

¹ Computed by dividing net asset value before Unissued Rights Shares by the number of ordinary shares outstanding as at the end of the respective reporting periods.

² Computed by dividing net asset value by the number of ordinary shares outstanding as at the end of reporting periods after adjusting for issuance of 1,147,102,770 Rights Shares on 7 January 2015.

³ Amount is less than 0.01 cent.

3c. Group's property, plant and equipment

The Group's property, plant and equipment decreased by SGD 44.3m to SGD 525.3m as of 31 December 2014. This was mainly due to the sale of an aircraft to Tigerair Taiwan.

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

NOTES TO STATEMENTS OF FINANCIAL POSITION (cont'd)

3d. Derivative financial instruments

The Group's net derivative financial liabilities increased by SGD 39.2m to SGD 40.2m as of 31 December 2014. This was mainly due to higher unrealised loss arising from the outstanding "out-of-the-money" fuel-related hedging instruments. The Group has hedged approximately 35% of its projected fuel requirements for the next 15 months. The average hedged price is around USD 111.68 per barrel.

3e. Unissued Rights Shares

On 17 October 2014, the Company announced that it is proposing to undertake a renounceable non-underwritten rights issue ("Rights Issue"). Subsequently, the Company announced that at the close of the Rights Issue on 29 December 2014, the Right Issue was oversubscribed by 56.7%. After deducting the estimated incidental expenses of SGD 2.0m, the Group raised net proceeds of approximately SGD 227.4m.

On 7 January 2015, pursuant to the Rights Issue, 1,147,102,770 new ordinary shares in the capital of the Company were allotted and issued.

4. STATEMENTS OF CHANGES IN EQUITY for the third quarter and nine months ended 31 December 2014 (in SGD'000)

4a. Statement of changes in equity of the Group

	Share capital	Unissued Rights Shares (Note 3e)	Perpetual convertible capital securities	Accumulated profits/(losses)	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	Total
Balance at 1 October 2014	485,017	–	218,087	(676,661)	3,045	769	(7,609)	22,648
Profit/(loss) for the period	–	–	–	2,193	–	–	–	2,193
Other comprehensive income for the period, net of tax	–	–	–	–	–	–	(24,787)	(24,787)
Total comprehensive income for the period	–	–	–	2,193	–	–	(24,787)	(22,594)
<u>Contributions by/ (distributions to) owners</u>								
Issue of new shares upon conversion of perpetual convertible capital securities	203,085	–	(203,085)	–	–	–	–	–
Rights Shares allotted on 7 January 2015	–	227,421	–	–	–	–	–	227,421
Total transactions with owners in their capacity as owners	203,085	227,421	(203,085)	–	–	–	–	227,421
Balance at 31 December 2014	688,102	227,421	15,002	(674,468)	3,045	769	(32,396)	227,475

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 October 2013	484,710	218,087	(211,250)	8,090	269	(317)	499,589
Profit/(loss) for the period	–	–	(118,536)	–	–	–	(118,536)
Other comprehensive income for the period, net of tax	–	–	–	(1,260)	–	3,907	2,647
Total comprehensive income for the period	–	–	(118,536)	(1,260)	–	3,907	(115,889)
<u>Contributions by/ (distributions to) owners</u>							
Equity settled share-based compensation expense	–	–	–	–	551	–	551
Exercise of employee share options and vesting of share awards	252	–	–	–	(251)	–	1
Total transactions with owners in their capacity as owners	252	–	–	–	300	–	552
Balance at 31 December 2013	484,962	218,087	(329,786)	6,830	569	3,590	384,252

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

4b. Statement of changes in equity of the Company

	Share capital	Unissued Rights Shares (Note 3e)	Perpetual convertible capital securities	Accumulated profits/ (losses)	Share-based compensation reserve	Total
Balance at 1 October 2014	485,017	–	218,087	(628,502)	769	75,371
Profit/(loss) for the period	–	–	–	(5,982)	–	(5,982)
Total comprehensive income for the period	–	–	–	(5,982)	–	(5,982)
<u>Contributions</u>						
<u>by/(distributions to) owners</u>						
Issue of new shares upon conversion of perpetual convertible capital securities	203,085	–	(203,085)	–	–	–
Rights Shares allotted on 7 January 2015	–	227,421	–	–	–	227,421
Total transactions with owners in their capacity as owners	203,085	227,421	(203,085)	–	–	227,421
Balance at 31 December 2014	688,102	227,421	15,002	(634,484)	769	296,810

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 October 2013	484,710	218,087	(238,493)	269	464,573
Profit/(loss) for the period	–	–	(105,748)	–	(105,748)
Total comprehensive income for the period	–	–	(105,748)	–	(105,748)
<u>Contributions</u>					
<u>by/(distributions to) owners</u>					
Equity settled share-based compensation expense	–	–	–	551	551
Exercise of employee share options and vesting of share awards	252	–	–	(251)	1
Total transactions with owners in their capacity as owners	252	–	–	300	552
Balance at 31 December 2013	484,962	218,087	(344,241)	569	359,377

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

4c. Share capital

Issued share capital

As at 31 December 2014, the number of ordinary shares in issue was 1,349,532,671 (31 March 2014: 986,415,826). The Company did not hold any treasury shares as at 31 December 2014 and 2013.

	Number of Shares	Share Capital SGD'000
Balance at 1 October 2014	987,563,226	485,017
Issue of new ordinary shares upon conversion of the Perpetual Convertible Capital Securities	361,969,445	203,085
Balance at 31 December 2014	<u>1,349,532,671</u>	<u>688,102</u>

As at 31 December 2014, the number of perpetual convertible capital securities ("PCCS") in issue was 14,119,091. These are convertible into 26,738,809 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 October 2014 to 31 December 2014, there were no options exercised under the Scheme. At 31 December 2014, the number of outstanding share options of the Company was 10,865 (31 December 2013: 138,015).

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

¹ 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 31 December 2014, the number of outstanding share awards granted under the RSP and PSP were 2,636,700 (31 December 2013: 2,314,980) and 2,657,000 (31 December 2013: 5,881,424) respectively.

Date of Grant	Balance at 1 October 2014	Granted	Vested	Cancelled	Balance at 31 December 2014
RSP					
30 Oct 2013	1,104,600	–	–	(317,800)	786,800
11 Feb 2014	40,500	–	–	–	40,500
13 Aug 2014	2,143,400	–	–	(334,000)	1,809,400
	<u>3,288,500</u>	<u>–</u>	<u>–</u>	<u>(651,800)</u>	<u>2,636,700</u>
PSP					
30 Oct 2013	3,712,200	–	–	(1,257,400)	2,454,800
11 Feb 2014	202,200	–	–	–	202,200
	<u>3,914,400</u>	<u>–</u>	<u>–</u>	<u>(1,257,400)</u>	<u>2,657,000</u>

5. CONSOLIDATED STATEMENT OF CASH FLOWS
for the third quarter and nine months ended 31 December 2014 (in SGD'000)

	The Group		The Group	
	3 rd Quarter FY15	3 rd Quarter FY14	9 months FY15	9 months FY14
Cash flows from operating activities:				
Profit/(loss) before taxation	2,628	(120,829)	(251,527)	(131,283)
Adjustments for :				
Depreciation of property, plant and equipment	8,217	8,292	24,284	25,137
Amortisation of intangible assets	14	171	268	561
Amortisation of deferred income	(581)	(617)	(1,770)	(2,300)
Amortisation of maintenance reserve payment	55	43	155	122
Share-based compensation expense	–	551	545	328
(Gain)/loss on disposal of aircraft	–	272	(1,167)	(1,619)
Property, plant and equipment written off	–	–	195	–
Share of loss of associates and joint venture	–	23,066	35,328	73,586
Shutdown costs of PT Mandala Airlines	(2,804)	–	11,810	–
Loss on disposal of an associate	2,618	–	4,618	–
Loss arising from planned disposal of a joint venture and an associate	–	30,330	59,766	30,330
Provision for onerous aircraft leases	–	–	99,326	–
Impairment of associates	–	57,959	–	106,265
Gain on loss of control of subsidiary	–	–	–	(106,078)
Interest expense	1,799	1,879	5,332	5,818
Interest income	(366)	(1,653)	(1,592)	(5,493)
Unrealised exchange differences	429	1,011	690	7,825
Operating cash flows before working capital changes	12,009	475	(13,739)	3,199
Increase in inventories	–	–	–	(264)
(Increase)/decrease in trade and other receivables	(3,203)	(4,991)	67,361	(12,093)
(Decrease)/increase in sales in advance of carriage	(4,049)	(4,861)	(637)	5,582
(Decrease)/increase in provisions, trade and other payables	(4,026)	17,194	(30,956)	9,090
(Decrease)/increase in deferred income	(4)	55	(189)	5,712
Increase in prepayments	(524)	(3,264)	(4,329)	(9,076)
(Increase)/decrease in amounts due from joint venture	3,410	112	4,136	(810)
Cash flows from/(used in) operations	3,613	4,720	21,647	1,340
Interest received	273	1,576	1,325	5,267
Income tax paid	(91)	(59)	(289)	(265)
Net cash flows from/(used in) operating activities	3,795	6,237	22,683	6,342
Cash flows from investing activities:				
Purchase of property, plant and equipment	(58)	(134,203)	(33,858)	(328,823)
Proceeds from disposal of property, plant and equipment	–	134,131	54,864	426,165
Additions to intangible assets	(48)	–	(169)	–
Funding of associate activities	(7,650)	(41,860)	(46,143)	(98,495)
Loans to joint venture	(3,298)	(5,704)	(11,753)	(43,794)
Repayment of loan from a joint venture	4,311	–	4,311	–
Long term investment	–	–	(8,304)	–
Net cash inflow from loss of control of subsidiary	–	–	–	29,530
Net cash flows from/(used in) investing activities	(6,743)	(47,636)	(41,052)	(15,417)
Cash flows from financing activities:				
Net proceeds from 2013 Rights Issue	–	–	–	75,576
Net proceeds from perpetual convertible capital securities	–	–	–	218,140
Distribution on perpetual convertible capital securities	(2,202)	(2,202)	(4,392)	(2,202)
Proceeds from exercise of employee share options	–	1	–	36
Repayments of bank loans	(29,111)	(39,872)	(63,921)	(159,824)
Proceeds from bank loans	–	–	20,000	14,415
Interest paid	(1,799)	(2,053)	(5,386)	(7,225)
Net cash flows from/(used in) financing activities	(33,112)	(44,126)	(53,699)	138,916
Net increase/(decrease) in cash and cash equivalents	(36,060)	(85,525)	(72,068)	129,841
Cash and cash equivalents at beginning of the period	135,573	332,594	171,581	117,228
Cash and cash equivalents at end of the period	99,513	247,069	99,513	247,069

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

3rd quarter

The Group reported an operating profit of SGD 4.1m for the quarter ended 31 December 2014, as compared to an operating loss of SGD 8.8m a year ago. The improved performance demonstrated that the Group is making progress in its turnaround plan.

Revenue from airline operations in Singapore rose by SGD 10.1m (+5.9%) to SGD 182.3m, mainly due to better yields and higher traffic volume.

Compared to the corresponding quarter of the last financial year, operating expenses from airline operations in Singapore fell by SGD 2.8m (-1.5%). This was largely attributable to lower fuel cost, savings in staff costs and lower capacity, partially offset by foreign exchange loss arising from appreciation of United States Dollar (“USD”) against Singapore Dollar (“SGD”).

The Group reported a net profit of SGD 2.2m for the quarter ended 31 December 2014, as compared to a net loss of SGD 118.5m a year ago. This was mainly due to absence of losses relating to operations of overseas cubs.

As eight out of the nine aircraft has been de-registered from Indonesia, the Group reversed excess provision relating to PT Mandala Airlines of SGD 2.8m. The Group has reached an agreement with a party on the settlement of liabilities arising from its divestment of an overseas associate. Consequently, the Group made an additional provision of SGD 2.6m.

9 months

For the nine months in FY15, Group revenue decreased by SGD 74.1m (-13.0%) to SGD 498.0m and Group expenses reduced by SGD 64.3m (-10.7%) to SGD 535.6m. 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.

Revenue from airline operations in Singapore increased by SGD 4.6m to SGD 498.0m. This was mainly attributable to higher traffic volume, partially offset by 5.7% decline in yields.

Operating expenses from airline operations in Singapore rose by SGD 31.8m to SGD 535.6m. This was mainly due to expansion in capacity and maintenance rates escalation, partially negated by lower fuel cost.

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

8a. Group financial performance (cont'd)

The Group reported a net loss of SGD 245.4m for the nine months ended 31 December 2014, as compared to a loss of SGD 127.5m a year ago. The net loss for the nine months had exacerbated, largely due to the provision for onerous aircraft leases of SGD 99.3m, higher loss on the planned disposal of a joint venture of SGD 29.4m and absence of SGD 106.1m gain on loss of control of Tigerair Australia which took place in July 2013, partially offset by absence of SGD 106.3m impairment loss relating to associates.

8b. Group financial position

Group equity at 31 December 2014 was SGD 227.5m, a decrease of SGD 51.2m from the position at 31 March 2014. This was mainly because the Group incurred a net loss of SGD 245.4m during first nine months in FY15 and higher unrealised loss from fuel-related hedging instruments of SGD 33.2m, offset by the net proceeds from the Rights Issue of SGD 227.4m.

Group assets at 31 December 2014 was SGD 1,008.0m, an increase of SGD 50.1m (+5.2%) from the position as at 31 March 2014. The increase in total assets was mainly due to the gross proceeds from the Rights Issue of SGD 229.4m receivables, partially offset by a drop in cash by SGD 72.1m and a decrease in other receivables by SGD 72.3m following the receipt of net refund arising from cancellation of nine aircraft order. The Group deployed these funds to finance the repayment of bank loans as well as to fund the operating activities of Tigerair Singapore and PT Mandala Airlines.

Deferred tax assets increased by SGD 14.9m (+660.3%) to SGD 17.2m due to tax losses carry-forward and tax effects arising from unrealised loss from fuel-related hedging instruments incurred during the first nine months in FY15.

As at 31 December 2014, the total liabilities of the Group increased by SGD 101.3m (+14.9%) to SGD 780.5m. This was mainly due to higher provision for onerous aircraft leases of SGD 68.5m, higher estimated liabilities relating to the planned disposal of Tigerair Australia of SGD 30.4m and higher out-of-the-money fuel hedging liabilities of SGD 40.5m, partially offset by SGD 43.9m net repayment of bank loans.

At 31 December 2014, the Group has provided guarantee to an aircraft lessor to cover obligations of the Group's associate. The Group has also provided guarantees to various aircraft lessors, suppliers and banks for joint venture.

8c. Group cashflow

Cash and cash equivalents of the Group decreased by SGD 72.1m from SGD 171.6m as at 31 March 2014 to SGD 99.5m as at 31 December 2014. This was mainly due to net cash outflows from financing activities of SGD 53.7m and investing activities of SGD 41.1m, partially offset by net cash inflow from operating activities of SGD 22.7m.

Net cash outflow from financing activities was SGD 53.7m. This was mainly due to net repayment of bank loans and distribution on PCCS.

Net cash outflow from investing activities was SGD 41.1m. This was mainly due to the funds extended to PT Mandala for its operating activities and shutdown costs, loans to a joint venture and injection of equity into Tigerair Taiwan, partially offset by net proceeds from the disposal of property, plant and equipment.

Net cash inflow from operating activities of SGD 22.7m 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. SUBSEQUENT EVENT

On 7 January 2015, the Company announced that 1,147,102,770 rights shares were allotted and issued. Based on the foregoing, the gross proceeds raised by the Company for the Rights Issue are approximately SGD 229.4m. These rights shares have been listed and quoted on the Main Board of the SGX-ST with effect from 8 January 2015. The newly issued rights shares rank pari passu in all respects with the existing ordinary shares of the Company. After deducting the estimated incidental expenses of SGD 2.0m, the net proceed of SGD 227.4m has been recorded as share capital on the balance sheet.

11. OUTLOOK

The strengthening of the Group's balance sheet through the recent rights issue will place the Group on a firmer footing to fully execute its turnaround plans. The Group remains vigilant over the macro-economic uncertainties and intense competition.

The Group will continue to drive improvements in operating performance through strategic alliances. In particular, there will be a stronger partnership with Scoot, and with the rest of the Singapore Airlines Group.

12. DIVIDEND

No dividend has been declared for the quarter ended 31 December 2014 (31 December 2013: nil).

13. INTERESTED PERSON TRANSACTIONS

Name of Interested Person	Aggregate value of interested person transactions during the quarter under review (excluding transactions less than \$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 of the SGX Listing Manual (excluding IPTs less than \$100,000) (SGD)
	3rd Quarter FY15	3rd Quarter FY15
Singapore Airlines Limited ¹	–	SGD 870,000
Temasek Holdings (Private) Limited and its Associates	–	SGD 1,759,787
Total Interested Person Transactions	–	SGD 2,629,787

¹ 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
26 January 2015

14. 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 third quarter and nine months ended 31 December 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, 26 January 2015