



6 November 2015

**The following is the text of an email from SIA CEO Mr Goh Choon Phong to SIA Group staff this morning:**

Dear Colleagues,

This morning we have announced to SGX that we will be making a voluntary conditional general offer for the shares in Tiger Airways that we do not already own. To ensure compliance with regulatory requirements, I was only able to inform you of this development after our filing with SGX.

We currently have 55.8% ownership of Tiger, having lifted our holding to a majority stake last year. Since then, we have seen Tiger improve its financial position. This is in large part due to Tiger's own restructuring initiatives. However, Tiger also benefits from being part of the larger SIA Group, as an important element of our portfolio strategy in which we have investments in both the full-service and low-cost sides of the business.

Our investment in Tiger provides the SIA Group an additional engine of growth in an expanding segment of the air travel market, with opportunities for enhanced synergies with other airlines in the Group. This ultimately strengthens the SIA Group as it enables us to tap into market segments that would not otherwise be available to us, providing new revenue- and profit-generation opportunities.

We believe our offer to Tiger shareholders is compelling and hope that it will be considered favourably. We also believe that Tiger's prospects to grow independently are limited in the highly competitive LCC landscape in Southeast Asia. The early benefits to Tiger from being part of the SIA Group have already been demonstrated. Feed that Tiger gets from Scoot, and the feed that Tiger provides to Scoot, is important for the long-term success of both carriers, and for the all-important development of the Singapore hub.

We believe that full integration with the SIA Group represents the best option to strengthen Tiger's future growth prospects by allowing for more commercial and network integration, and operational and backroom synergies. This is positive for the staff of all the airlines in the SIA Group, including those at Scoot and Tiger.

I also wish to assure you that we remain fully committed to the further growth of the full-service side of our business, which we continue to have full confidence in. This is demonstrated by our significant investment in new aircraft, new product and service initiatives, new lounges, large-scale IT systems, as well as in our people, all supported by our strong balance sheet.

Our growing network, high-quality products and the best staff in the industry who provide unparalleled levels of service - combined with the many strategic initiatives that are in place - will ensure that we retain our leadership position and competitive edge.

Yours sincerely,

Goh Choon Phong

Singapore Company Registration Number: 197200078R



The following statement is pursuant to regulatory requirements:

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