



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 2015**

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 2015.

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1. CONSOLIDATED INCOME STATEMENT
for the third quarter and nine months ended 31 December 2015 (in SGD'000)

	Notes	3 rd Quarter FY16	The Group 3 rd Quarter FY15 (restated)	Increase/ (decrease) %	9 months FY16	The Group 9 months FY15 (restated)	Increase/ (decrease) %
Revenue							
Passenger seat revenue		143,371	148,263	(3.3)	398,613	394,481	1.0
Ancillary and other revenue	1c	38,512	35,651	8.0	110,391	109,062	1.2
Lease rental income	1d	5,497	723	n.m	14,567	1,686	n.m
Total revenue		<u>187,380</u>	<u>184,637</u>	1.5	<u>523,571</u>	<u>505,229</u>	3.6
Expenses							
Fuel costs:							
Actual fuel costs		(43,471)	(65,177)	(33.3)	(139,214)	(216,101)	(35.6)
Fuel hedging loss		(12,873)	(10,133)	27.0	(37,394)	(11,325)	n.m
Staff costs							
Aircraft rentals	1a, 1d	(23,712)	(15,708)	50.9	(66,744)	(49,242)	35.5
Airport and handling		(23,208)	(22,468)	3.3	(65,604)	(67,286)	(2.5)
Maintenance, material and repair	1e	(24,555)	(18,275)	34.4	(72,898)	(54,053)	34.9
Route charges		(5,523)	(5,290)	4.4	(13,419)	(15,654)	(14.3)
Marketing and distribution costs		(6,090)	(5,897)	3.3	(19,250)	(17,292)	11.3
Depreciation and amortisation	1f	(10,317)	(8,231)	25.3	(30,957)	(24,552)	26.1
General and administrative costs		(2,275)	(2,664)	(14.6)	(7,137)	(6,260)	14.0
Exchange loss	1g	(1,479)	(3,776)	(60.8)	(3,227)	(10,134)	(68.2)
Others		(1,901)	(2,131)	(10.8)	(5,625)	(6,219)	(9.6)
Total expenses		<u>(177,332)</u>	<u>(180,542)</u>	(1.8)	<u>(523,415)</u>	<u>(542,830)</u>	(3.6)
Operating profit /(loss)	1a	10,048	4,095	n.m	156	(37,601)	n.m
Finance income							
Finance income		517	366	41.3	1,275	1,592	(19.9)
Finance expense							
Finance expense		(2,793)	(2,019)	38.3	(7,977)	(5,837)	36.7
Gain on disposal of aircraft		–	–	n.m	–	1,167	(100.0)
Share of loss of associate		–	–	n.m	–	(35,328)	(100.0)
Shutdown costs of PT Mandala Airlines							
Airlines		–	2,804	(100.0)	–	(11,810)	(100.0)
Loss on disposal of an associate		–	(2,618)	(100.0)	–	(4,618)	(100.0)
Loss arising from planned disposal of a joint venture		–	–	n.m	–	(59,766)	(100.0)
Provision for onerous aircraft leases		–	–	n.m	–	(99,326)	(100.0)
Professional fee related to general offer	1h	(880)	–	n.m	(880)	–	n.m
Profit / (loss) before taxation		<u>6,892</u>	<u>2,628</u>	n.m	<u>(7,426)</u>	<u>(251,527)</u>	(97.0)
Taxation		(111)	(435)	(74.5)	(233)	6,116	n.m
Profit / (loss) for the period		<u>6,781</u>	<u>2,193</u>	n.m	<u>(7,659)</u>	<u>(245,411)</u>	(96.9)
Earnings/ (loss) per share (cents)							
Basic	1b	0.27	0.18		(0.31)	(22.06)	
Diluted		0.27	0.15		(0.31)	(22.06)	

n.m – not meaningful or variance is greater than 100%

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

NOTES TO CONSOLIDATED INCOME STATEMENT

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

	The Group		The Group	
	3 rd Quarter FY16	3 rd Quarter FY15	9 months FY16	9 months FY15
Amortisation of deferred income	(666)	(581)	(2,634)	(1,770)
Property, plant and equipment written off	–	–	–	195
Operating lease rentals ⁽ⁱ⁾	24,624	16,611	70,323	51,700
Net fair value gain on foreign currency forward contracts	<u>(1,116)</u>	<u>(438)</u>	<u>(3,479)</u>	<u>(184)</u>

(i) The increase in operating lease rentals was mainly due to the aircraft sub-leasing arrangements with Tigerair Australia and Tigerair Taiwan and appreciation of United States Dollar (USD) against Singapore Dollar (SGD). For more details, please refer to 1d.

1b. Earnings/ (loss) per share

Earnings/ (loss) per share (cents)	The Group			
	3 rd Quarter FY16	3 rd Quarter FY15 (restated) ⁽ⁱⁱ⁾	9 months FY16	9 months FY15 (restated) ⁽ⁱⁱ⁾
- Basic ⁽ⁱⁱⁱ⁾	0.27	0.18	(0.31)	(22.06)
- Diluted	0.27 ^(iv)	0.15 ^(iv)	(0.31) ^(v)	(22.06) ^(v)

(ii) Restated for the effects of the Rights Issue completed in January 2015.

(iii) Computed based on the weighted average number of ordinary shares outstanding during the period.

(iv) 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.

(v) Computed based on the weighted average number of ordinary shares outstanding during the period. 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).

1c. Restatement of Consolidated Income Statement

Consolidated Income Statement

In Q4 FY15, the Group re-assessed the ancillary revenue items and noted that it is acting as a principal for income related to (a) call centre and (b) merchant acquiring fee, which would require these ancillary revenue items to be reported on a gross basis. As a result, the Group restated the comparative amounts for the previous financial year. This accounting treatment is in compliance with FRS 18 Revenue.

The effect of this restatement resulted in a change in presentation and had no effect on pre-tax loss, net loss or any loss per share amounts for any period presented.

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

NOTES TO CONSOLIDATED INCOME STATEMENT

1c. Restatement of Consolidated Income Statement (cont'd)

Consolidated Income Statement (cont'd)

For details, please refer to the information provided below:

	3rd Quarter FY15	9 Months FY15
Ancillary and other revenue		
Previously reported	34,000	103,527
Add: Re-gross of income	2,374	7,221
Less: Separate disclosure of lease rental income (note 1d)	(723)	(1,686)
Restated balance	35,651	109,062
Marketing and distribution costs		
Previously reported	(3,523)	(10,071)
Add: Re-gross of expense	(2,374)	(7,221)
Restated balance	(5,897)	(17,292)

1d. Aircraft and engine leasing arrangements

Where the Group acted as a principal under the aircraft and engine leasing arrangements entered into with Tigerair Australia and Tigerair Taiwan, the lease rental income is disclosed separately in the Income Statement since the lease rental income stream is deemed as a significant source of income.

Correspondingly, the Group recorded the head lease rentals of these subleased aircraft in the Income Statement.

1e. Maintenance, material and repair

The Group recorded a higher maintenance, material and repair costs of SGD 6.3m in 3QFY16. This was mainly due to:

- the ageing of the fleet;
- appreciation of USD against SGD; and
- additional SGD 0.3m provision for maintenance expenses resulting from changes in accounting estimates.

To assure aircraft safety and airworthiness, the Group entered into aircraft maintenance agreements with various service providers. In one of the long-life maintenance agreements entered into by the Group in 2009, the unit rate charged by the service provider will step up after an engine undergoes the first major overhaul. As and when the related engines undergo their first major overhaul, the cash outflows relating to this maintenance charge thereafter are expected to increase by approximately SGD 0.6m per aircraft per annum. This is not expected to have a material impact on the financial results of the current financial year.

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

NOTES TO CONSOLIDATED INCOME STATEMENT

1f. Depreciation and amortisation

With effect from 1 January 2015, the Group revised the useful life and residual value of its owned aircraft as follows:

Useful life : Reduced from 23 years to 15 years
Residual value : Reduced from 15% of the original cost to 10%

This resulted in an increase to the Group's depreciation charge by SGD 3.5m during the quarter as compared to the corresponding period in the preceding year.

1g. Exchange loss

In 3QFY16, the Group recorded a lower exchange loss. This was mainly due to higher realised gain from settlement of forex forward contracts.

1h. Professional fee related to general offer

This relates to expenses and costs incurred by the Company pursuant to the voluntary unconditional general offer by Singapore Airlines Limited.

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the third quarter and nine months ended 31 December 2015 (in SGD'000)

	The Group		The Group	
	3 rd Quarter FY16	3 rd Quarter FY15	9 months FY16	9 months FY15
Profit/(loss) for the period	6,781	2,193	(7,659)	(245,411)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Net fair value changes on cash flow hedges	(14,561)	(24,787)	(7,118)	(31,568)
Other comprehensive income for the period, net of tax	(14,561)	(24,787)	(7,118)	(31,568)
Total comprehensive income for the period	<u>(7,780)</u>	<u>(22,594)</u>	<u>(14,777)</u>	<u>(276,979)</u>

3. STATEMENTS OF FINANCIAL POSITION as at 31 December 2015 (in SGD'000)

	Notes	The Group		The Company	
		31 December 2015	31 March 2015	31 December 2015	31 March 2015
ASSETS					
Non-current assets					
Property, plant and equipment		442,945	453,517	320,571	322,590
Intangible assets		540	138	163	138
Investment in subsidiaries		-	-	24,905	24,355
Long-term investment		8,304	8,304	-	-
Deferred tax assets		17,183	17,183	-	-
Prepayments		40,733	34,021	3,485	3,485
Loans to subsidiary		-	-	8,308	8,308
Other receivables		65,911	65,955	-	-
		<u>575,616</u>	<u>579,118</u>	<u>357,432</u>	<u>358,876</u>
Current assets					
Prepayments		9,251	7,640	107	111
Amounts due from subsidiaries		-	-	141	149
Amounts due from immediate holding company		974	-	-	-
Amounts due from related companies		12,372	20,763	200	9,724
Trade receivables		14,012	11,336	-	-
Other receivables		12,355	18,894	826	2,165
Derivative financial instruments	3c	2,172	3,510	-	-
Cash and cash equivalents		272,253	310,175	246,748	289,201
		<u>323,389</u>	<u>372,318</u>	<u>248,022</u>	<u>301,350</u>
Asset related to planned disposal of aircraft		71,102	70,959	35,642	35,503
Total assets		<u>970,107</u>	<u>1,022,395</u>	<u>641,096</u>	<u>695,729</u>
EQUITY AND LIABILITIES					
Equity					
Share capital		917,264	915,523	917,264	915,523
Perpetual convertible capital securities		13,972	15,002	13,972	15,002
Accumulated losses		(701,251)	(693,441)	(648,264)	(654,106)
Other reserves		(28,217)	(21,687)	1,661	1,073
Total equity	3b	<u>201,768</u>	<u>215,397</u>	<u>284,633</u>	<u>277,492</u>
Non-current liabilities					
Provisions		224,593	225,668	82,785	96,393
Deferred income		8,686	11,075	-	-
Deferred tax liabilities		6,806	6,893	6,806	6,893
Loans	3a	200,148	223,246	132,428	147,410
Other long-term liabilities	3d	9,596	-	133	-
		<u>449,829</u>	<u>466,882</u>	<u>222,152</u>	<u>250,696</u>
Current liabilities					
Provisions		13,799	17,822	12,109	17,822
Deferred income		2,279	2,324	95	58
Sales in advance of carriage		70,657	67,552	-	-
Provision for taxation		121	129	-	10
Loans	3a	79,036	83,731	44,738	47,000
Amounts due to immediate holding company		225	68	-	-
Amounts due to subsidiaries		-	-	72,225	85,878
Amounts due to related companies		13,899	21,757	-	9,582
Trade payables		94,685	105,658	-	-
Other payables		7,258	9,963	5,144	7,191
Derivative financial instruments	3c	36,551	31,112	-	-
		<u>318,510</u>	<u>340,116</u>	<u>134,311</u>	<u>167,541</u>
Total liabilities		<u>768,339</u>	<u>806,998</u>	<u>356,463</u>	<u>418,237</u>
Total equity and liabilities		<u>970,107</u>	<u>1,022,395</u>	<u>641,096</u>	<u>695,729</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 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
79,036	–	83,731	–

As at 31 December 2015, the secured loans included SGD 48.3m of loans relating to the two owned aircraft earmarked for disposal (31 March 2015: SGD 53.5m).

(ii) Amount repayable after one year

As at 31 December 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
200,148	–	223,246	–

(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 2015	31 March 2015	31 December 2015	31 March 2015
Net asset value per ordinary share (cents) ^(vi)	8.07	8.63	11.38	11.11

^(vi) Computed by dividing net asset value by the number of ordinary shares outstanding as at the end of the respective reporting periods.

3c. Derivative financial instruments

The Group's net derivative financial liabilities increased by SGD 6.8m from SGD 27.6m as of 31 March 2015 to SGD 34.4m as of 31 December 2015. 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 49% of its projected fuel requirements for the next 15 months. The average hedged price is around USD 70.38 per barrel.

3d. Other long-term liabilities

Other long-term liabilities mainly relate to long-term deposits received in connection with the aircraft and engine which are either subleased or leased to Tigerair Taiwan.

4. STATEMENTS OF CHANGES IN EQUITY
for the third quarter and nine months ended 31 December 2015 (in SGD'000)

4a. Statement of changes in equity of the Group

	Share capital	Perpetual convertible capital securities	Accumulated profit / (losses)	Share-based compensation reserve	Fair value reserve	Total
Balance at 1 October 2015	916,234	15,002	(708,032)	1,354	(15,317)	209,241
Profit for the period	–	–	6,781	–	–	6,781
Other comprehensive income for the period, net of tax	–	–	–	–	(14,561)	(14,561)
Total comprehensive income for the period	–	–	6,781	–	(14,561)	(7,780)
<u>Contributions by/ (distributions to) owners</u>						
Issue of new shares upon conversion of perpetual convertible capital securities	1,030	(1,030)	–	–	–	–
Equity settled share-based compensation expense	–	–	–	307	–	307
Total transactions with owners in their capacity as owners	1,030	(1,030)	–	307	–	307
Balance at 31 December 2015	917,264	13,972	(701,251)	1,661	(29,878)	201,768

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

4a. Statement of changes in equity of the Group (cont'd)

	Share capital	Unissued Rights Shares ^(vii)	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 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

(vii) At the close of the Rights Issue on 29 December 2014, the Company announced that the Rights 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 (in SGD'000) (cont'd)

4b. Statement of changes in equity of the Company

	Share capital	Perpetual convertible capital securities	Accumulated profit / (losses)	Share-based compensation reserve	Total
Balance at 1 October 2015	916,234	15,002	(647,142)	1,354	285,448
Loss for the period	–	–	(1,122)	–	(1,122)
Total comprehensive income for the period	–	–	(1,122)	–	(1,122)
<u>Contributions</u>					
<u>by/(distributions to) owners</u>					
Issue of new shares upon conversion of perpetual convertible capital securities	1,030	(1,030)	–	–	–
Equity settled share-based compensation expense	–	–	–	307	307
Total transactions with owners in their capacity as owners	1,030	(1,030)	–	307	307
Balance at 31 December 2015	917,264	13,972	(648,264)	1,661	284,633

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

4b. Statement of changes in equity of the Company (cont'd)

	Share capital	Unissued Rights Shares ^(vii)	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
Loss for the period	–	–	–	(5,982)	–	(5,982)
Total comprehensive income for the period	–	–	–	(5,982)	–	(5,982)
Contributions						
by/(distributions to) owners						
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

^(vii) At the close of the Rights Issue on 29 December 2014, the Company announced that the Rights 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 (cont'd)

4c. Share capital

Issued share capital

At 31 December 2015, the number of ordinary shares in issue was 2,500,461,741 (31 March 2015: 2,496,635,441). The Company did not hold any treasury shares as at 31 December 2015 and 2014.

	Number of Shares	Share Capital SGD'000
Balance at 1 October 2015	2,498,626,645	916,234
Issue of new ordinary shares upon conversion of Perpetual Convertible Capital Securities	1,835,096	1,030
Balance at 31 December 2015	<u>2,500,461,741</u>	<u>917,264</u>

As at 31 December 2015, the number of perpetual convertible capital securities ("PCCS") in issue was 13,150,091 (31 December 2014: 14,119,091). These are convertible into 24,903,712 fully paid-up new shares of the Company (31 December 2014: 26,738,809).

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 was 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 Tigerair Singapore were replaced by options of the Scheme. The grant date was deemed 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 2015 to 31 December 2015, there were no options exercised under the Scheme. As at 31 December 2015, the number of outstanding share options of the Company was 10,865 (31 December 2014: 10,865).

Expiry Period	Exercise Price (SGD) ^(viii)	Number of Options
Between 1 April 2017 and 31 March 2018	0.058	805
Between 1 April 2019 and 31 March 2020	0.053	<u>10,060</u>
Total		<u>10,865</u>

^(viii) Following the completion of the 2015 Rights Issue, the Remuneration Committee approved a reduction in the exercise prices of the outstanding share options in accordance to the rules of the Scheme and advice of independent financial advisor. The exercise price disclosed is the exercise price after reduction.

4. STATEMENTS OF CHANGES IN EQUITY (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"), Performance Share Plan ("PSP") and/or CEO Restricted Share Grant ("CEORSG"). The first awards of RSP and PSP were made on 1 September 2010. The first award of CEORSG was made on 30 October 2013.

Under RSP, there are no pre-determined business targets. Pursuant to the terms of the RSP, the restricted shares will vest after a specified number of years from the award date.

Under the PSP, a base number of conditional share awards ("Base Award") is awarded to eligible participants annually. Subject to the achievement of certain pre-determined targets (e.g. total shareholder return) over a specified performance period, the Remuneration Committee will determine an achievement factor which will then be applied to the Base Award to determine the final number of PSP shares to be vested at the end of the performance period. The achievement factor could range from 0% to 200% of the Base Award.

Awards of the CEO restricted shares pursuant to the CEORSG take into consideration of the contractual terms of the service agreement with the eligible participants. CEO restricted shares vest immediately. A moratorium on the disposal of shares is applicable during his term of service as the Chief Executive Officer of the Company, until his term of office has been completed, and/or upon resignation or retirement.

As at 31 December 2015, the number of outstanding share awards awarded under the RSP and PSP were 4,554,973 (31 December 2014: 2,636,700) and 12,095,211 (31 December 2014: 2,657,000) respectively.

Date of Grant	Balance at 1 October 2015	Granted	Vested	Cancelled	Balance at 31 December 2015
RSP					
30 Oct 2013	434,571	–	–	–	434,571
11 Feb 2014	24,752	–	–	(24,752)	–
13 Aug 2014	1,271,718	–	–	(180,216)	1,091,502
13 Aug 2015	3,364,900	–	–	(336,000)	3,028,900
	5,095,941	–	–	(540,968)	4,554,973
PSP					
30 Oct 2013	2,993,214	–	–	–	2,993,214
11 Feb 2014	246,549	–	–	(246,549)	–
30 Mar 2015	3,920,515	–	–	(667,218)	3,253,297
13 Aug 2015	6,756,500	–	–	(907,800)	5,848,700
	13,916,778	–	–	(1,821,567)	12,095,211

5. CONSOLIDATED STATEMENT OF CASH FLOWS
for the third quarter and nine months ended 31 December 2015 (in SGD'000)

	The Group		The Group	
	3 rd Quarter FY16	3 rd Quarter FY15	9 months FY16	9 months FY15
Cash flows from operating activities:				
Profit/(loss) before taxation	6,892	2,628	(7,426)	(251,527)
Adjustments for :				
Depreciation of property, plant and equipment	10,314	8,217	30,941	24,284
Amortisation of intangible assets	3	14	16	268
Amortisation of deferred income	(666)	(581)	(2,634)	(1,770)
Amortisation of maintenance reserve payment	43	55	120	155
Provision for maintenance costs	4,260	2,862	12,454	10,803
Share-based compensation expense	308	–	1,299	545
Property, plant and equipment written off	–	–	–	195
Gain on disposal of aircraft	–	–	–	(1,167)
Share of loss of associates and joint venture	–	–	–	35,328
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	–	–	–	59,766
Provision for onerous aircraft leases	–	–	–	99,326
Interest expense	2,641	1,799	7,569	5,332
Interest income	(517)	(366)	(1,275)	(1,592)
Unrealised exchange differences	1,473	429	4,090	690
Operating cash flows before working capital changes	<u>24,751</u>	<u>14,871</u>	<u>45,154</u>	<u>(2,936)</u>
Decrease/(increase) in amounts due from immediate holding company, related companies, trade and other receivables	882	(3,203)	8,156	67,361
(Decrease)/increase in sales in advance of carriage	(1,394)	(4,049)	3,105	(637)
Decrease in provision for onerous aircraft leases	(5,434)	(16,232)	(19,921)	(30,780)
(Decrease)/increase in amounts due to immediate holding company, related companies, trade and other payables, and other provisions	(2,920)	9,344	(12,672)	(10,979)
Increase/(decrease) in deferred income	–	(4)	200	(189)
Increase in prepayments	(2,034)	(524)	(8,323)	(4,329)
Decrease in amounts due from joint venture	–	3,410	–	4,136
Cash flows from operations	<u>13,851</u>	<u>3,613</u>	<u>15,699</u>	<u>21,647</u>
Interest received	431	273	1,027	1,325
Income tax paid	(94)	(91)	(328)	(289)
Net cash flows from operating activities	<u>14,188</u>	<u>3,795</u>	<u>16,398</u>	<u>22,683</u>
Cash flows from investing activities:				
Purchase of property, plant and equipment	(18,185)	(58)	(22,528)	(33,858)
Proceeds from disposal of property, plant and equipment	–	–	2,159	54,864
Additions to intangible assets	(417)	(48)	(418)	(169)
Funding operating and shutdown activities of PT Mandala Airlines	–	(7,650)	–	(46,143)
Loans to joint venture	–	(3,298)	–	(11,753)
Repayment of loan from a joint venture	–	4,311	–	4,311
Long-term investment	–	–	–	(8,304)
Net cash flows used in investing activities	<u>(18,602)</u>	<u>(6,743)</u>	<u>(20,787)</u>	<u>(41,052)</u>
Cash flows from financing activities:				
Distribution on perpetual convertible capital securities	(151)	(2,202)	(302)	(4,392)
Repayments of bank loans	(9,307)	(29,111)	(27,793)	(63,921)
Proceeds from bank loans	–	–	–	20,000
Interest paid	(1,809)	(1,799)	(5,438)	(5,386)
Net cash flows used in financing activities	<u>(11,267)</u>	<u>(33,112)</u>	<u>(33,533)</u>	<u>(53,699)</u>
Net decrease in cash and cash equivalents	<u>(15,681)</u>	<u>(36,060)</u>	<u>(37,922)</u>	<u>(72,068)</u>
Cash and cash equivalents at beginning of the period	287,934	135,573	310,175	171,581
Cash and cash equivalents at end of the period	<u>272,253</u>	<u>99,513</u>	<u>272,253</u>	<u>99,513</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 2015. 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 2015.

8. REVIEW OF GROUP FINANCIAL PERFORMANCE AND POSITION

- 8a. Group financial performance

3rd quarter

The Group recorded an operating profit of SGD 10.0m for the third quarter ended 31 December 2015, compared to an operating profit of SGD 4.1m a year ago. This was primarily due to lower fuel costs.

Group revenue was SGD 187.4m, up by 1.5% from SGD 184.6m a year ago. The increase was primarily due to the lease rental income of SGD 5.5m recorded during the quarter for aircraft and engine leases with Tigerair Australia and Tigerair Taiwan. This was partially offset by a SGD 2.0m decline in revenue from airline operations in Singapore following a capacity decrease of 1.6%. Yields fell by 1.4% while load factor was 83.1%, an improvement of 1.1 percentage points.

Group expenses fell by 1.8% to SGD 177.3m. The Group recorded a 25.2% decrease in fuel costs due to the sharp decline in oil prices. The benefit of lower fuel costs was partially eroded by higher aircraft maintenance costs, higher aircraft rentals and appreciation of USD against SGD. In addition, changes in accounting estimates for maintenance provisions and aircraft depreciation policy resulted in SGD 3.8m increase in expenses.

Consequently, the Group reported a net profit of SGD 6.8m for the current quarter, compared to the SGD 2.2m net profit a year ago.

9 months

The Group recorded an operating profit of SGD 0.2m for the first nine months ended 31 December 2015, a turnaround from an operating loss of SGD 37.6m a year ago. This was mainly attributable to lower fuel costs.

Group revenue was SGD 523.6m, up by 3.6% from SGD 505.2m reported a year ago. Notwithstanding the drop in traffic by 2.7%, yields recorded an improvement of 4.5% and load factor marginally increased by 0.5 percentage point. In addition, the Group recorded a lease rental income of SGD 14.6m during the first nine months of the financial year for aircraft and engine leases entered with Tigerair Australia and Tigerair Taiwan.

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

8a. Group financial performance (cont'd)

9 months (cont'd)

Group expenses decreased by 3.6% to SGD 523.4m. The Group recorded a 22.3% decrease in fuel costs due to the sharp decline in oil prices. The benefit of lower fuel costs was partially eroded by higher aircraft maintenance costs, higher aircraft rentals and appreciation of USD against SGD. In addition, changes in accounting estimates for maintenance provisions and aircraft depreciation policy resulted in SGD 11.7m increase in expenses.

The Group posted a SGD 7.7m net loss for the nine months ended 31 December 2015. This was 96.9% lower than the SGD 245.4m loss a year ago. The absence of (i) losses related to divestment of a 40% stake in Tigerair Australia; (ii) provision for onerous aircraft leases; (iii) shutdown costs of PT Mandala Airlines and (iv) share of loss of associate, which were recorded in the first nine months of last financial year, contributed to the improvement in the financial performance.

8b. Group financial position

Group equity decreased by SGD 13.6m to SGD 201.8m. This was mainly due to a net loss of SGD 7.7m for the nine months period and net unrealised loss from fuel and forex hedging instruments of SGD 7.1m.

Group assets decreased by SGD 52.3m to SGD 970.1m. This was mainly attributable to:

- a) decrease in cash balances (-SGD 37.9m),
- b) net decrease in property, plant and equipment (-SGD 10.6m),
- c) net recoveries from related companies (-SGD 8.4m); and
- d) decrease in other receivables (-SGD 6.6m), mainly due to receipt of incentives from various airport authorities; partially offset by
- e) increase in prepayments (+SGD 8.3m) for advance payment relating to engine maintenance and overhaul services covered by power-by-the-hour arrangements.

The decrease in property, plant and equipment arose mainly due to depreciation of SGD 30.9m, partially offset by the additions in property, plant and equipment due to pre-delivery payments made for the new aircraft order.

Group liabilities decreased by SGD 38.7m to SGD 768.3m. This was mainly due to:

- a) repayment of bank loans (-SGD 27.8m),
- b) net payment to related companies (-SGD 7.9m), and
- c) lower trade and other payables (-SGD 13.7m); partially offset by
- d) long term deposits received (+SGD 9.6m).

The Group had a net debt position of SGD 6.9m as at the end of the quarter.

As at 31 December 2015, the Group provided guarantees to the aircraft lessors for all the 12 aircraft that were subleased to IndiGo.

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

8c. Group cashflow

As at 31 December 2015, cash and cash equivalents of the Group decreased by SGD 37.9m to SGD 272.3m. This was mainly due to aggregate cash outflows relating to investing and financing activities of SGD 54.3m, partially offset by net cash inflows from operating activities of SGD 16.4m.

Net cash inflows from operating activities of SGD 16.4m was mainly due to cash generated from core operations of SGD 36.3m, partially offset by funding of surplus aircraft of SGD 19.9m.

Net cash outflows from financing activities was SGD 33.5m. This was mainly due to net repayment of bank loans and interest payments to the financial institutions.

Net cash outflows from investing activities was SGD 20.8m. This was mainly due to additions in property, plant and equipment due to pre-delivery payments made for the new aircraft order.

9. VARIANCE FROM FORECAST OR PROSPECT STATEMENT

No forecast or prospect statement was provided.

10. OUTLOOK

The Group expects macroeconomic conditions to remain uncertain and surplus capacity in the industry will continue to exert downward pressure on yields in the near term. Nevertheless, the low fuel price environment offers some respite and the Group will continue to work hard to optimise its loads and yields.

The Group will continue to deepen its collaboration with Scoot and the rest of the Singapore Airlines Group for future sustainable growth.

11. DIVIDEND

No dividend has been declared for the quarter ended 31 December 2015 (31 December 2014: 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)
	3rd Quarter FY16	3rd Quarter FY16
Singapore Airlines Limited and its Associates	–	477,507
Total Interested Person Transactions (“IPT”)	–	477,507

BY ORDER OF THE BOARD

Ho Zhuanglin
Company Secretary
22 January 2016

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 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors



HSIEH FU HUA
Chairman



LEE LIK HSIN
Chief Executive Officer

Singapore, 22 January 2016