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annual report 2010

financial year ended 31 March 2010

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financial year ended 31 March 2010

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corporate information

board of directors
Mr. Gerard Ee Hock Kim,
Independent Director and Chairman
Mr. Anthony Alfred Peter (Tony) Davis,
Executive Director, Group President and CEO
Mr. Chan Hon Chew,
Non-Executive Director
Ms. Rachel Eng Yaag Ngee,
Independent Director
Mr. Brian Hanna Franke,
Non-Executive Director
Mr. Jack Koh Swee Lim,
Non-Executive Director
Mr. Lee Chong Kwee,
Non-Executive Director
Mr. Lim Liang Song,
Non-Executive Director
Mr. Alexander Maurice Mason,
Non-Executive Director
Mr. Po'ad Bin Shaik Abu Bakar Mattar,
Independent Director
Mr. Teoh Tee Hooi,
Non-Executive Director
Mr. Yap Chee Keong,
Independent Director

audit committee
Mr. Po'ad Bin Shaik Abu Bakar Mattar (Chairman)
Mr. Gerard Ee Hock Kim
Mr. Yap Chee Keong

nominating committee
Ms. Rachel Eng Yaag Ngee (Chairperson)
Mr. Gerard Ee Hock Kim
Mr. Lee Chong Kwee
Mr. Teoh Tee Hooi
Mr. Yap Chee Keong

remuneration committee
Mr. Yap Chee Keong (Chairman)
Mr. Chan Hon Chew
Ms. Rachel Eng Yaag Ngee
Mr. Brian Hanna Franke
Mr. Po'ad Bin Shaik Abu Bakar Mattar

joint company secretaries
Ms. Cecilia Lim Siok Leng
Ms. Tan San-Ju

registered office
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Telephone number: +65 6536 5355
Facsimile number: +65 6536 1360

principal place of business
Changi Airport Terminal One #035-54
Singapore 819642
Telephone number: +65 6822 2300
Facsimile number: +65 6822 2310

bankers
BNP Paribas
DBS Bank Ltd
Standard Chartered Bank
United Overseas Bank Limited

share registrar and share transfer office
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Telephone number: +65 6536 5355
Facsimile number: +65 6536 1360

auditors
Ernst & Young LLP
Public Accountants and Certified Public Accountants
One Raffles Quay
North Tower, Level 18
Singapore 048583

Audit Partner-In-Charge: Shekaran Krishnan
Date of Appointment: 16 July 2007

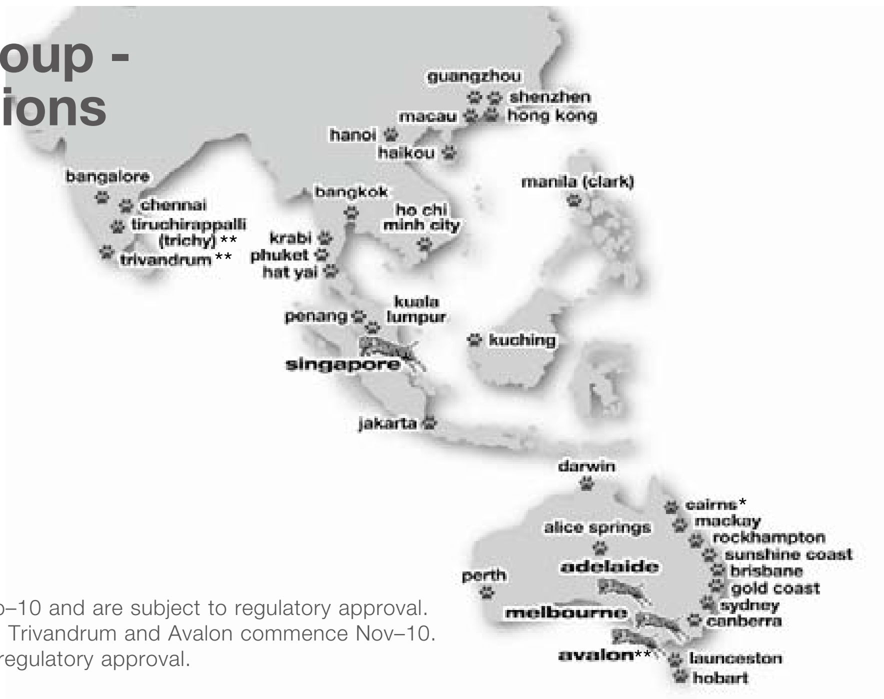
The initial public offering of the Company was sponsored by Citigroup Global Markets Singapore Pte. Ltd. and Morgan Stanley Asia (Singapore) Pte. (the "Joint Issue Managers"). The Joint Issue Managers assume no responsibility for the contents of this annual report.

operational and financial highlights

Operational Highlights	FY2010	FY2009	% change
Passengers booked (thousands)	4,872	3,167	+53.8
Seat capacity (thousands)	5,723	3,989	+43.5
Load factor (%)	85.1%	79.4%	+5.7 ppt
RPK (millions)	6,768	5,245	+29.0
ASK (millions)	7,847	6,459	+21.5
Number of aircraft at financial year end	19	16	+18.8
Average number of aircraft	17	13	+30.8
Number of sectors flown	32,631	22,229	+46.8
Average sector length (kilometres)	1,371.0	1,614.4	-15.1

Financial Highlights ($m)	FY2010	FY2009	Δchange
Financials			
Total revenue	486.2	378.0	+28.6%
Total expenses	458.2	425.5	+7.7%
Operating profit/(loss)	28.0	(47.5)	+$75.5 million
Profit/(loss) before taxation	19.9	(47.6)	+$67.5 million
Profit/(loss) for the year attributable to shareholders of the Company	28.2	(50.8)	+$79.0 million
Earnings/(loss) per share ($)			
Basic	0.07	(0.14)	+0.21
Diluted	0.07	(0.14)	+0.21

tiger airways group - map of destinations



* Flights to/from Cairns commence Sep–10 and are subject to regulatory approval.
** Flights to/from Tiruchirappalli (Trichy), Trivandrum and Avalon commence Nov–10. Flights to/from Avalon are subject to regulatory approval.

chairman's statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the annual report of Tiger Airways Holdings Limited (the "Company") for the financial year ended 31 March 2010, the first annual report as a public company. This report provides an update on our operations and includes the audited annual financial statements for the financial year.

Financial year 2010 (FY2010) was a momentous year for the Company, marked with our successful SGX listing on 22 January 2010. The oversubscription of our shares reflected the confidence that you, our shareholders, showed in us, and we thank you for your continued support. I can assure you that our team is committed to the execution of our low-fare, low-cost airline model, with the funds raised used to support our expansion plans.

With our relentless focus on route profitability and our commitment to a disciplined low-cost business model, we recorded solid results for the full year. Our profitable results were achieved in a year where the global financial crisis impacted economies greatly, coupled with the outbreak of the H1N1 virus that led to some reduction in customer demand in mid-2009. Despite these external factors, our passenger numbers, seat capacity and load factors all reached record levels demonstrating that our model of providing low-fare, low-cost travel is being embraced by consumers.

From our Singapore base we consolidated services to Malaysia following the liberalisation of air rights between the two nations. We also re-introduced services between Singapore and Krabi and Hat Yai following a two year suspension. And just prior to the Chinese New Year holidays, we inaugurated a double daily Singapore – Hong Kong service. Tiger Airways now has a significant presence across the Southern China region with five cities served from Singapore.

In its second full year of operations, our Australian domestic airline expanded operations both in its aircraft fleet size and destination count. The highlight was the introduction of services to Australia's largest city, Sydney. Services to Sydney commenced in July 2009 from both our Melbourne and Adelaide bases, with Sydney to Gold Coast services commencing in December 2009. Tiger Airways now has over a million annualised seats on sale to Australia's largest city. Further, with the introduction of additional aircraft in the fourth quarter of FY2010, we successfully commenced operations to Brisbane, with services to and from Melbourne, Adelaide and Rockhampton.

The strong growth in our passenger numbers throughout the year has provided us with the confidence to expand our low-cost, low-fare model to even more destinations. As a result of further aircraft deliveries in the current financial year, we have announced expansion plans for both our Singapore and Australia businesses. From Singapore, services will be increased to Thailand and expanded into the growth regions of Greater China and Southern India. In Australia, frequencies will be increased on existing services and new routes will continue to be introduced, including the re-introduction of Melbourne to Darwin services. We believe these plans are prudent and justified against a backdrop of an improving economic environment and above-average growth projections for the Asia Pacific region.

In order to offer the lowest possible fares, we need to continue to lower our cost base in an ever competitive environment. During the course of FY2010, we successfully concluded new contracts with airports, ground services providers and numerous other suppliers. In January 2010, we announced our first European Export Credit Agency (ECA) backed financing arrangement for the purchase of new aircraft from Airbus. The two aircraft that were delivered in the

chairman's statement

fourth quarter of FY2010 are the first aircraft that we own rather than lease, enabling us to further reduce operating cost. Moreover, this is the first such transaction to be structured in Singapore Dollars, recognising Singapore as a key financial centre and aviation market.

I can assure you that our commitment to the low-cost model will not be compromised. Every aspect of our business will continue to be scrutinised by the management team, to remove all non-essential costs without compromising the safety, security or punctuality of our operations. We believe that this model has worked very successfully thus far, and will lead to a good return to you, our shareholders.

Financial Performance and Dividend

The Company recorded an operating profit of $28.0 million and a profit for the year attributable to shareholders of the Company of $28.2 million for the financial year ended 31 March 2010. Revenues grew 28.6% to $486.2 million while operating costs grew only 7.7%, despite the 53.8% increase in passengers compared to the preceding 12 months.

Growth in revenues was supported by the combination of passenger seat revenue increasing 19.6% and ancillary revenue growth of 87.4%. Ancillary revenues currently comprise 19.4% of our revenue base, an increase from 13.3% in FY2009. Management continues to be focused on optimising ancillary revenues, with initiatives such as the carriage of cargo being introduced in FY2011.

Management's relentless focus on cost management continued to bear fruit. Operating costs per seat excluding fuel decreased by 15.8% to $48.2 per seat network-wide, a phenomenal achievement. Costs per Available Seat Kilometre (CASK) decreased 11.4% whilst CASK excluding fuel was maintained at the previous year's level. This was despite a 15.1% reduction in sector length resulting from the introduction of shorter flights in our network.

As stated in the IPO prospectus, the Company does not have a fixed dividend policy and is unlikely to pay any dividends in the immediate future. Rather, the Company will re-invest profits generated from its business operations for further growth.
The Board therefore recommends that no dividend be paid for the financial year ended 31 March 2010.

Acknowledgment

On behalf of the Board of Directors, I would like to thank you, our Shareholders for your support since our listing. I would also like to thank the Board of Directors, firstly for their warm personal welcome for my appointment, and for their continued counsel and guidance in building this great business. I personally welcome the new directors to the Board, and would also like to thank the management team and staff for their contributions through this challenging year.

Further, I would like to take the opportunity to thank the former Chairman Daniel Ee, as well as the former Directors who have retired from the Board during the year, for their guidance and leadership throughout the year.

Yours sincerely,

Gerard Ee
Chairman

29 June 2010

review of operating and financial performance

Operating Review

Year in Review

The Tiger Airways Group ("Group") reported an operating profit of $28.0 million and a profit attributable to shareholders of the Company of $28.2 million for the financial year ended 31 March 2010. These results were achieved despite the impact of the global financial crisis throughout calendar year 2009 and the outbreak of the H1N1 influenza virus in Asia.

Group passenger numbers increased 53.8% to 4.9 million, a record for Tiger Airways and load factor increased by 5.7 percentage points to 85.1%. Tiger Airways launched 11 new routes during the year and suspended 5 underperforming routes. In Singapore, Tiger Airways introduced new routes to Malaysia following the liberalisation of air rights between the two nations, whilst in Australia, new services were launched to and from Sydney and Brisbane from bases in Melbourne (Tullamarine) and Adelaide.

The Group introduced four additional Airbus A320 aircraft into the fleet and retired one Airbus A320 aircraft during the year. The two most recent deliveries in Q4 are the first two aircraft that are owned by the Group. Financing for these aircraft had been structured with support from the European Export Credit Agencies (ECA), which provides aircraft financing cost savings going forward. All four aircraft are fitted with the standard 180 seats in a one class configuration. These additional deliveries took the Group fleet to a total of 19 aircraft as at 31 March 2010.

Tiger Airways Singapore

Tiger Airways Singapore recorded its third consecutive year of profitability, delivering an operating profit of $25.0 million. The solid result was achieved despite challenging operating conditions during the year, in particular the H1N1 virus that affected Asia in 2009. This resulted in a decrease in passenger demand on some routes. Management made tactical changes to the flying network as a result of the drop in demand, including the transfer of an aircraft from Singapore to Australia during the year. The operating environment improved significantly in the second half of the year, recording solid growth through the peak holiday periods of Christmas and Chinese New Year.

Tiger Airways introduced a series of new routes during the year. Following the increased liberalisation of air rights between Singapore and Malaysia, Tiger Airways Singapore consolidated its Malaysian services to Kuala Lumpur, Kuching and Penang. Tiger Airways also re-introduced two routes during the year that it had previously flown – Singapore to Krabi and Singapore to Hat Yai, and due to significant demand has recently increased services to both destinations. Double daily frequencies were launched to Hong Kong in February 2010, in time for the Chinese New Year celebrations.

Tiger Airways continues to explore expansion opportunities to serve new destinations as additional aircraft are delivered. New services from Singapore to Tiruchirapalli (Trichy) and Trivandrum have been announced and further routes will be announced in due course.

Tiger Airways will continue to grow its ancillary services. Following a successful trial period, cargo services will be progressively introduced to destinations across the Tiger Airways Singapore network.

Tiger Airways recently introduced a new cost effective call centre service for its customers, after reaching an agreement with Symphony BPO Solutions Sdn Bhd. Under the new arrangement, call centre operation hours have been extended and customer calls are being handled by twice the number of agents. Customers calling from Hong Kong, Indonesia and Malaysia will also enjoy the convenience of new local hotline numbers, which are handled by agents who speak the local language in addition to English.

review of operating and financial performance

Reflecting its expanding presence in the Asian region, Tiger Airways introduced a Bahasa Malaysia website and made significant upgrades to the Chinese version of its website.

Tiger Airways Australia

Tiger Airways Australia declared a breakeven result in the financial year ended 31 March 2010, solidifying its position as a major domestic airline in Australia.

Tiger Airways Australia took delivery of three aircraft in the year, taking the fleet to nine aircraft as at 31 March 2010. These additional aircraft supported the expansion of services during the second full year of operations in Australia.

Several new routes were introduced into the network – including the introduction of Sydney services to Melbourne (on 3 July 2009), Adelaide (31 July 2009) and the Gold Coast (15 December 2009). Brisbane was added to the network on 28 March 2010, with flights to Melbourne, Adelaide and Rockhampton.

Frequencies to existing destinations were also increased, most notably:

- Melbourne to Hobart increased to double daily from daily;
- Melbourne to Sunshine Coast to daily from four per week; and
- Melbourne to Adelaide to four per day from double daily.

New routes will continue to be rolled out during the current financial year, including the re-commencement of services between Melbourne and Darwin from June 2010 and new services between Melbourne and Cairns from September 2010.

A new operating base in Australia will commence at Avalon Airport in November this year. The new base at Avalon Airport will complement existing services at Melbourne's Tullamarine Airport. Two A320 aircraft will be based at Avalon Airport. To support the new services, Avalon Airport has agreed to a multi-million-dollar expansion of its facilities.

Financial Review

Highlight's of the Group's Performance

– Total revenue	$486.2 million (+28.6%)
– Total expenses	$458.2 million (+7.7%)
– Operating profit	$28.0 million (up $75.5 million)
– Profit after taxation	$28.2 million (up $79.0 million)
– Basic earnings per share	$0.07 (up $0.21)

Group Earnings

The Group reported an operating profit of $28.0 million and a profit attributable to shareholders of the Company of $28.2 million for the financial year ended 31 March 2010, driven by a 53.8% increase in passengers, revenue growth of 28.6% and strict cost control. These results were a sharp turnaround from the performance in the financial year ended 31 March 2009.

review of operating and financial performance

A summary of its subsidiary businesses is below:

– Tiger Airways Singapore:
  - Operating profit $25.0 million (up 104.9%)

– Tiger Airways Australia:
  - Operating loss ($0.6 million) (up $57.4 million)

Group revenues grew 28.6% to $486.2 million resulting from the increase in passengers. Passenger seat revenue on a per passenger basis decreased 22.2% to $80.5 due to a shortening of the overall sector length as a result of the aforementioned network changes. Ancillary revenues per passenger increased 21.4% to $19.3, reflecting the introduction of new ancillary revenue products and the optimisation of the current ancillary revenue offering.

Strict cost control resulted in total expenses increasing just 7.7% compared to the preceding 12 months, despite the significant increase in passengers. Operating Cost per Available Seat Kilometre (CASK) decreased 11.4% from 6.6 cents to 5.8 cents, and despite the 15.1% reduction in sector length, CASK excluding fuel was flat against last year.

	12 Months 2009-10	12 Months 2008-09
Passengers (thousand)(1)	4,872	3,167
RPK (millions)(2)	6,768	5,245
ASK (millions)(3)	7,847	6,459
Passenger load factor (%)(4)	85.1	79.4
Average passenger fares ($)	80.5	103.5
Average ancillary revenues per passenger ($)	19.3	15.9
Revenue per ASK (cents)(5)	6.2	5.9
CASK (cents)(6)	5.8	6.6
CASK excluding fuel (cents)(7)	3.5	3.5
Average sector length(8)	1,371.0	1,614.4

(1) Number of earned seats flown by Tiger Airways.
(2) Represents revenue passenger kilometres, which is the number of paying passengers carried on scheduled flights multiplied by the number of kilometres those passengers were flown.
(3) Represents available seat kilometres, which is the available seat capacity multiplied by the number of kilometres those seats were flown.
(4) Represents the number of passengers as a proportion to the available seat capacity.
(5) Calculated as our total revenue divided by ASK.
(6) Represents cost per available seat kilometre. Calculated as total operating costs divided by ASK.
(7) Calculated as total operating costs (excluding fuel costs) divided by ASK.
(8) Represents average number of kilometres flown per flight.

Financial Position

Total assets of the Group increased significantly to $587.2 million, from $187.1 million a year ago. This increase was due to the higher cash and bank balances held (+$193.5 million) with the proceeds from the initial public offering and the ownership of two aircraft, the first aircraft to be owned rather than leased since the Group was established. The two aircraft are financed by ECA supported financing arrangements.

review of operating and financial performance

Equity attributable to shareholders of the Company turned from negative $109.5 million as at 31 March 2009 to positive $149.7 million as at 31 March 2010, arising mainly from the issue of 155,556,000 new shares pursuant to the initial public offering of shares of the Company and the net profit of $28.2 million earned for the current year.

For the financial year ended 31 March 2010, the Board recommends no dividend be paid. As stated in the IPO prospectus, the Company does not have a fixed dividend policy and is unlikely to pay any dividends in the immediate future. Rather, the Company will re-invest profits generated from its business operations for further growth.

Capex and Cashflow

For the financial year ended 31 March 2010, capital expenditure was $239.4 million, an increase of $161.0 million compared to the previous financial year. The increase is primarily due to the capital spending on aircraft, including the cost of acquisition of the first two ECA-financed aircraft.

Cash flows from operations was $49.7 million, compared to cash flows used in operations of $40.1 million in the previous financial year.

Cash and cash equivalents as at 31 March 2010 was $206.7 million, $193.5 million higher than a year ago mainly due to the proceeds from the issuance of shares pursuant to the initial public offer in January 2010.

review of operating and financial performance

Summary of Performance

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE FINANCINAL YEAR ENDED 31 MARCH 2010 (in $ million)

	The Group	
	2009-10	**2008-09**
Revenue		
Passenger seat revenue	392.1	327.8
Ancillary revenue	94.1	50.2
Total revenue	486.2	378.0
Expenses		
Staff costs	58.5	48.3
Depreciation	0.6	0.1
Fuel costs:		
Actual fuel costs	160.5	181.6
Fuel hedging loss	21.7	17.3
Maintenance, material and repair	55.7	41.2
Marketing and distribution costs	5.3	7.6
Aircraft rental	69.8	60.7
Route charges	30.6	22.2
Airport and handling	49.5	29.1
Others	6.0	17.4
	458.2	425.5
Operating profit/(loss)	28.0	(47.5)
Expenses relating to initial public offering	(8.3)	–
Finance income, net	0.2	0.4
Share in loss of an associate	–	(0.5)
	(8.1)	(0.1)
Profit/(loss) before taxation	19.9	(47.6)
Taxation	8.3	(3.2)
Profit/(loss) for the year attributable to shareholders of the Company	28.2	(50.8)
Earnings/(loss) per share ($)		
Basic	0.07	(0.14)
Diluted	0.07	(0.14)

review of operating and financial performance

Summary of Performance by Half

$m	1H10	2H10	Total
Total revenue	206.1	280.1	486.2
Total expenses	215.1	243.1	458.2
Operating profit/(loss)	**(9.0)**	**37.0**	**28.0**
Total other expense	(0.2)	(7.9)	(8.1)
Profit/(loss) before taxation	(9.2)	29.1	19.9
Taxation	0.9	7.4	8.3
Net profit/(loss) after tax	**(8.3)**	**36.5**	**28.2**

Tiger Airways Singapore

$m	31-Mar-10	31-Mar-09	% change
Total revenue	277.9	268.0	+3.7
Total expenses	252.9	255.8	-1.1
Operating profit	25.0	12.2	+104.9

Tiger Airways Singapore recorded an operating profit of $25.0 million. The result was achieved despite challenging operating conditions during the year, in particular the H1N1 virus that affected Asia in 2009 resulted in a decrease in passenger demand on certain routes. Growth in revenues of 3.7% and strict cost control (decreasing 1.1% on last year) contributed to the improved result.

Tiger Airways Australia

$m	31-Mar-10	31-Mar-09	% change
Total revenue	208.0	110.0	+89.1
Total expenses	208.6	168.0	+24.2
Operating loss	(0.6)	(58.0)	+$57.4m

Tiger Airways Australia declared a breakeven result in the financial year ended 31 March 2010, a significant year-on-year improvement compared to the previous year. A significant increase in revenues of 89.1% outpaced the 24.2% growth in operating costs, to arrive at the breakeven result for the full year. The financial year ended 31 March 2010 represented the second full year of operations of Tiger Airways Australia.

board of directors

Our Board of Directors is entrusted with the responsibility for our overall management. We set out below certain information regarding our Directors as at the date of this Annual Report:

Name	Position	Date of Original Appointment as Director	Date of last re-election as Director (if applicable)	Board Committees served on
Gerard Ee Hock Kim	Independent Director and Chairman of the Board of Directors	23 November 2009	NA	Audit Committee and Nominating Committee
Anthony Alfred Peter (Tony) Davis	Executive Director, and Group President and CEO	1 February 2007	NA	Nil
Chan Hon Chew	Non-Executive Director	6 September 2007	NA	Remuneration Committee
Rachel Eng Yaag Ngee	Independent Director	1 December 2009	NA	Nominating Committee (Chairperson) and Remuneration Committee
Brian Hanna Franke	Non-Executive Director	9 April 2009	NA	Remuneration Committee
Jack Koh Swee Lim	Non-Executive Director	1 June 2009	NA	Nil
Lee Chong Kwee	Non-Executive Director	1 December 2009	NA	Nominating Committee
Lim Liang Song	Non-Executive Director	9 October 2009	NA	Nil
Alexander Maurice Mason	Non-Executive Director	1 December 2009	NA	Nil
Po’ad Bin Shaik Abu Bakar Mattar	Independent Director	1 December 2009	NA	Audit Committee (Chairman) and Remuneration Committee
Teoh Tee Hooi	Non-Executive Director	6 September 2007	NA	Nominating Committee

board of directors

Name	Position	Date of Original Appointment as Director	Date of last re-election as Director (if applicable)	Board Committees served on
Yap Chee Keong	Independent Director	1 December 2009	NA	Audit Committee, Nominating Committee and Remuneration Committee (Chairman)

GERARD EE HOCK KIM
Chairman

Mr. Gerard Ee Hock Kim was appointed to the Board of Directors of the Company (the "Board") on 23 November 2009 as an Independent Director and is the Non-Executive Chairman of the Board. He also sits on the Audit Committee ("AC") and the Nominating Committee ("NC"). Mr. Ee is an independent director of The Great Eastern Life Assurance Company Limited and the chairman of its audit committee. From 2007 to 2009, he was an independent director of The Straits Trading Company Limited and the chairman of its audit committee. Mr. Ee joined Ernst & Young and its predecessor firms in 1976 as an audit manager before becoming an audit partner, a position he held from 1978 to 2005. Prior to that, he was an audit senior with Price Waterhouse from 1974 to 1976. Mr. Ee was awarded the Public Service Medal (PBM) in 1993, the Public Service Star (BBM) in 2003 and the Meritorious Service Medal (PJG) in 2007. He became certified as a chartered accountant by the Institute of Chartered Accountants in England & Wales in 1972. Mr. Ee was an associate from 1973 to 1979 and a Fellow from 1979 to 2005 with the Institute of Chartered Accountants in England & Wales. From 1978 to 1989, Mr. Ee was a public accountant of the Singapore Society of Accountants. He was a certified public accountant of the Institute of Certified Public Accountants of Singapore from 1989 to 2005 and is a Fellow certified public accountant of the Institute of Certified Public Accountants of Singapore since 2005.

ANTHONY ALFRED PETER (TONY) DAVIS
Group President and Chief Executive Officer

Mr. Anthony Alfred Peter (Tony) Davis is our Group President and Chief Executive Officer ("CEO"). He was appointed to the board of directors of Tiger Airways Singapore Pte. Ltd. ("Tiger Airways Singapore") in 2005 and was appointed to the Board on 1 February 2007. Mr Davis is also a director of Tiger Airways Singapore and Tiger Airways Australia Pty Limited ("Tiger Airways Australia"). He has over 20 years' of experience in the airline industry, having been employed by British Airways both in London and New York in various sales, marketing and purchasing positions from 1986 to 1995. From 1995 to 1997, Mr. Davis held management positions in Gulf Air Company G.S.C. (Bahrain), and from 1997 to 2001, he held senior management positions, including director of corporate affairs for British Midland Airways Limited. Prior to joining Tiger Airways Singapore in 2005, Mr. Davis was the founding managing director of British low-cost airline, bmibaby, a subsidiary of British Midland from 2001. Mr. Davis was awarded in 1985 with a National Certificate in Business and Finance granted by the Business & Technician Education Council in the United Kingdom and in 1992 was awarded a Postgraduate Diploma in Business Administration from Lancaster University in the United Kingdom. Mr. Davis is a Fellow of the Royal Aeronautical Society.

board of directors

CHAN HON CHEW

Mr. Chan Hon Chew has served on the Board since 6 September 2007. He is a Non-Executive Director and nominee of Singapore Airlines Limited ("Singapore Airlines") and sits on our Remuneration Committee ("RC"). He was also a director of Tiger Airways Singapore from 1 November 2005 to 6 November 2009. Mr. Chan is currently senior vice president (finance) of Singapore Airlines. Prior to that, he was assistant general manager of Wing Tai Holdings Ltd from 1998 to 2003. From 1996 to 1998, Mr. Chan was the financial controller of IBM Singapore Pte Ltd Storage Systems Division. Mr. Chan graduated with a Bachelor of Accountancy (Hons.) from National University of Singapore in 1989 and is a member of the Institute of Chartered Accountants in Australia and a member of the CFA Institute (United States). Mr. Chan will be retiring from his directorship in the Company at the upcoming AGM and will not be seeking re-election.

RACHEL ENG YAAG NGEE

Ms. Rachel Eng Yaag Ngee was appointed to the Board as an Independent Director on 1 December 2009 and is the Chairperson of the NC. She also sits on the RC. Ms. Eng is a partner of WongPartnership LLP, a firm of advocates and solicitors, with more than 18 years' of experience in legal practice, and is WongPartnership LLP's Deputy Managing Partner. Her main practice areas are capital markets, real estate investment trusts, corporate finance and transactional and advisory matters. She is a member of the corporate practice committee of the Law Society of Singapore. Ms. Eng was admitted to the Singapore Bar in 1992 and graduated from the National University of Singapore in 1991 with a Bachelor of Laws (Honours) degree.

BRIAN HANNA FRANKE

Mr. Brian Hanna Franke joined the Board on 9 April 2009. He is a Non-Executive Director and nominee of Indigo Singapore Partners L.P. ("Indigo Singapore") and sits on the RC. He also previously served as Alternate Director to Mr. William A. Franke from April 2008 to 9 October 2009, and as Alternate Director to Mr. Stephen L. Johnson from September 2007 to March 2009. Mr. Franke was also a director of Tiger Airways Australia from 4 May 2009 to 1 June 2010. From 2004 to present, he is a principal specialising on aviation investments with Indigo Partners LLC, a private equity firm based in the United States. Prior to that, Mr. Franke was vice president of Franke & Company, Inc., a boutique private equity firm focused on small and medium enterprises investments. He was also a director in marketing for Anderson Company, a U.S. real estate developer, from 1989 to 1992 and a marketing manager for United Brands Inc., a U.S. distribution and licensing company for consumer goods, from 1987 to 1989. Mr. Franke graduated with a Bachelor of Science in Business Administration from the University of Arizona in 1985 and a Masters of International Management from American Graduate School of International Management in 1987.

JACK KOH SWEE LIM

Mr. Jack Koh Swee Lim was appointed to the Board on 1 June 2009. He is a Non-Executive Director and nominee of Singapore Airlines. Mr. Koh was also a director of Tiger Airways Singapore from 6 November 2009 to 1 June 2010. He is currently senior vice president (fleet management/marketing & sales) of SIA Engineering Company Limited. Prior to that, he was senior vice president (commercial) since April 2009, senior vice president (line maintenance and business development) from 2007 to 2009 and senior vice president (line maintenance and materials) from 2005 to 2007. From 1993 to August 2005, Mr. Koh held various key senior management positions with Singapore Airlines, most recently as its divisional vice president (engineering services) from 2001 to 2005. He holds a Bachelor of Business from Curtin University, Australia, in 1989 and a Masters of Business Administration from Monash University, Australia, in 1993. Mr. Koh will be retiring from his directorship in the Company at the upcoming AGM and will not be seeking re-election.

board of directors

LEE CHONG KWEE

Mr. Lee Chong Kwee was appointed to the Board on 1 December 2009. He is a Non-Executive Director and nominee of Dahlia Investments Pte. Ltd. and sits on the NC. Mr. Lee is the chairman of Jurong Port Private Limited and holds other directorships. He was previously the group chief executive officer of Pontiac Land Private Ltd (from January to September 2008). Prior to that, he was the chief executive officer Asia-Pacific of Exel (Singapore) Pte Ltd from 1999 to 2005. From 1980 to 1997, Mr. Lee held various positions with Singapore Airlines in Singapore, Hong Kong, U.S., Japan and the United Kingdom. He received a Bachelor of Science (Hons.) degree from the University of Malaya in 1980 and a Certified Diploma in Accounting & Finance from The Chartered Association of Certified Accountants in 1984. Mr. Lee will be retiring from his directorship in the Company at the upcoming AGM but will be seeking re-election.

LIM LIANG SONG

Mr. Lim Liang Song was appointed to the Board on 9 October 2009. He is a Non-Executive Director and nominee of Indigo Singapore. He has been a principal with Indigo Pacific Partners, a private equity fund, since 2005. Prior to that, Mr. Lim held various positions with Singapore Airlines, most recently as its vice president (company planning and fuel). From 1984 to 1990, he was a teacher with the Ministry of Education in Singapore and head of the economics department. Mr. Lim holds a Bachelor of Arts from the National University of Singapore in 1983, a Bachelor of Arts (with Honours) in 1984 and a Diploma in Education from the National University of Singapore in 1985. He received a Diploma in Accounting & Finance from The Chartered Association of Certified Accountants in 1990 and a Masters of Finance from the Royal Melbourne Institute of Technology in 1994. Mr. Lim also completed an Advanced Management Programme with INSEAD in 2001.

ALEXANDER MAURICE MASON

Mr. Alexander Maurice Mason was appointed to the Board on 1 December 2009. He is a Non-Executive Director and nominee of Ryanasia Limited. He previously served as Alternate Director to Mr. Declan Ryan from 6 September 2007 to 1 December 2009. Mr Mason was also a director of Tiger Airways Australia from 4 May 2009 to 1 June 2010. Mr. Mason is a partner in Irelandia Aviation, which he established in 2003 with Mr. Declan Ryan. He worked at Morgan Stanley & Co. International Limited from 1994 to September 2002, last serving as a managing director in the aircraft group. Prior to that, Mr. Mason was the vice president in the financial services division of GPA Group plc, an aircraft lessor, from 1987 to 1994. He also serves as a director of XS Direct Holdings Limited (since 2005), Geneva Technology Limited (since 2005) which trades as Airvod, Wellbeing Financial Services (since 2002) and Aeroenlaces Nacionales, S.A. de C.V. (since 2005) which trades as VivaAerobus, the ultra-low-cost airline part-owned by the founders of Ryanair. Mr. Mason received a BA BAI (Mech.) from Trinity College, Dublin, in 1985. Mr. Mason will be retiring from his directorship in the Company at the upcoming AGM and will not be seeking re-election.

PO’AD BIN SHAIK ABU BAKAR MATTAR

Mr. Po’ad Bin Shaik Abu Bakar Mattar was appointed to the Board as an Independent Director on 1 December 2009 and is the Chairman of the AC. He also sits on the RC. Mr. Mattar was with Deloitte & Touche and its predecessor firms from 1971, holding various positions before becoming a senior partner in 2002. Mr. Mattar was the managing partner from 1988 to 2002 and was also on the global board of directors of Deloitte Touche Tohmatsu from 1999 to 2003. He retired from his position as a senior partner in February 2006. Mr. Mattar also sits on other bodies in both the private and public sectors. He was awarded the Public Service Medal (PBM) in 2002 and the Public Service Star (BBM) in 2007. Mr. Mattar graduated with a Bachelor of Accountancy from the University of Singapore in 1971 and a Master in Management from the Asian Institute of Management in 1978. He is a member of the Institute of Certified Public Accountants of Singapore.

TEOH TEE HOOI

Mr. Teoh Tee Hooi was appointed to the Board on 6 September 2007. He is a Non-Executive Director and nominee of Singapore Airlines and sits on the NC. He had been with Singapore Airlines since 1972 and was its senior vice president (corporate services). Mr Teoh retired from Singapore Airlines on 3 April 2010. Mr. Teoh graduated with a Bachelor of Arts (Second Upper Hons.) from the University of Malaya in 1970.

YAP CHEE KEONG

Mr. Yap Chee Keong was appointed to the Board as an Independent Director on 1 December 2009 and is the Chairman of the RC. He also sits on the AC and NC. Mr. Yap is the lead independent director of The Straits Trading Company Limited and an independent non-executive director of CapitaMalls Asia Limited and Hup Soon Global Corporation Ltd. Mr Yap also serves as a board member of the Accounting & Corporate Regulatory Authority, chairman of Singapore District Cooling Pte Ltd and a non-executive director of SPI (Australia) Assets Pty Ltd. Mr. Yap was previously the chief financial officer of the Singapore Power ("SP") Group where he also sat on the boards of certain SP subsidiaries including SPI Management Services Pty Ltd, the manager of SP AusNet which is dual listed on the Australian Stock Exchange and the SGX-ST. Mr. Yap has 25 years of experience in senior management, strategic planning, mergers and acquisitions, corporate finance, treasury, financial management and risk management functions in diverse industries. Mr. Yap holds a Bachelor of Accountancy from the National University of Singapore and is a Fellow of the Institute of Certified Public Accountants of Singapore and CPA Australia.

CHANG LONG WEE
(Proposed to be appointed at the AGM)

Mr. Chang Long Wee will be proposed for appointment as a Non-Executive Director at the AGM as a nominee of Singapore Airlines. He is currently divisional vice-president (engineering services) of Singapore Airlines. Prior to that he was vice-president (engineering divisional services) from 2005 to 2007, vice-president (engineering supplies) from 2004 to 2005 and senior manager (engineering supplies) from 2001 to 2004. Prior to joining Singapore Airlines, Mr. Chang was with the Republic of Singapore Air Force from 1983 to 2001 and has held senior appointments in engineering, manpower and as a defence adviser with the Singapore High Commission in Canberra, Australia. Mr. Chang holds a Bachelor Degree in Electrical Engineering from the National University of Singapore and a Masters Degree in Electrical Engineering from the United States Naval Postgraduate School in Monterey, California.

LIM SIEW LAY
(Proposed to be appointed at the AGM)

Ms. Lim Siew Lay will be proposed for appointment as a Non-Executive Director at the AGM as a nominee of Singapore Airlines. Upon appointment she will sit on the RC. She is currently divisional vice-president industrial relations with Singapore Airlines. Ms. Lim joined the inflight services department of Singapore Airlines in 1990 handling portfolios such as quality control, inflight operations and catering contracts. In 2001 she moved to the ground services department and handled portfolios in reservations and ticketing services and ground handling contracts. In 2005, she was promoted to vice-president contracts in charge of ground handling and catering contracts and was seconded to Tradewinds Tours and Travel Pte Ltd as general manager from 2008 to 2009. Prior to her transfer to Singapore Airlines, Ms. Lim started as an accountant with Singapore Airport Terminal Services, a subsidiary of Singapore Airlines then. She graduated with a Bachelor of Accountancy from the National University of Singapore in 1984 and is a certified public accountant with the Institute of Certified Public Accountants Singapore.

board of directors

	Name	Present Principal Directorships	Past Principal Directorships
1.	Gerard Ee Hock Kim	Group Companies — Other Companies Caring Fleet Services Limited Changi General Hospital Pte Ltd Council for Third Age EDB Investments Pte Ltd Financial Industry Disputes Resolution Centre Limited Lien Foundation The National Kidney Foundation Singapore Health Services Pte Ltd The Great Eastern Life Assurance Company Limited Singapore Institute of Accredited Tax Professionals SAA Global Education Pte Ltd MOH Holdings Pte Ltd	Group Companies — Other Companies AA Insurance Services Pte. Ltd. (formerly known as AA Financial Planners Pte. Ltd.) AA Vehicle Inspection Centre Pte. Ltd. A.A. Travel and Tours Pte. Ltd. Asian Children's Medical Fund Ltd. Autoswift Recovery Pte Ltd IE Singapore Holdings Pte Ltd Insurance Disputes Resolution Organisation Ltd. NKFS International Pte. Ltd. The Straits Trading Company Limited
2.	Anthony Alfred Peter (Tony) Davis	Group Companies Tiger Airways Singapore Pte. Ltd. Tiger Airways Australia Pty Limited Other Companies —	Group Companies — Other Companies Incheon Tiger Airways Co., Ltd Advent Air Ltd Singapore Tourism Board New College Nottingham
3.	Chan Hon Chew	Group Companies — Other Companies RCMS Properties Private Limited Singapore Aviation and General Insurance Company (Pte) Limited Virgin Atlantic Airways Limited Virgin Atlantic Limited Virgin Travel Group Limited	Group Companies Tiger Airways Singapore Pte. Ltd. Other Companies —

board of directors

	Name	Present Principal Directorships	Past Principal Directorships
4.	Rachel Eng Yaag Ngee	Group Companies — Other Companies 89 Holdings Pte. Ltd.	Group Companies — Other Companies AUPU International Holdings Pte. Ltd. Clifford Chance Pte. Ltd. (formerly known as Clifford Chance Wong Pte. Ltd.) SP Chemicals Ltd.
5.	Brian Hanna Franke	Group Companies — Other Companies Franke & Company, Inc. Indigo Pacific Partners Pte. Ltd.	Group Companies Tiger Airways Australia Pty Limited Other Companies —
6.	Jack Koh Swee Lim	Group Companies — Other Companies Aviation Partnership (Philippines) Corporation Hong Kong Aero Engines Services Ltd PT Jaes Aero Engineering Services Singapore Aero Engine Services Private Limited	Group Companies Tiger Airways Singapore Pte. Ltd. Other Companies Aircraft Maintenance Services Australia Pte Ltd International Engine Component Overhaul Pte Ltd SIA Engineering (USA) Inc Singapore Airlines Cargo Pte Ltd
7.	Lee Chong Kwee	Group Companies — Other Companies First Flight Couriers Pvt Ltd Great Wall Airlines Company Limited Jurong Port Pte Ltd Mapletree Investments Pte Ltd Singapore Post Limited	Group Companies — Other Companies —
8.	Lim Liang Song	Group Companies — Other Companies Indigo Pacific Partners Pte. Ltd. PT Mandala Airlines	Group Companies — Other Companies —

board of directors

	Name	Present Principal Directorships	Past Principal Directorships
9.	Alexander Maurice Mason	Group Companies — Other Companies Aeroenlaces Nacionales, S.A. de C.V. Geneva Technology Limited Wellbeing Financial Services Limited XS Direct Holdings Limited	Group Companies Tiger Airways Australia Pty Limited Other Companies Allegiant Travel Company Ballymore Estate Community Development Association National Foundation for Enterpreneurship (Ireland) Social Entrepreneurs Ireland Limited
10.	Po'ad Bin Shaik Abu Bakar Mattar	Group Companies — Other Companies NIE International Private Limited Hong Leong Finance Limited Keppel Offshore & Marine Ltd Rahmatan Lil Alamin Foundation Ltd.	Group Companies — Other Companies PUB Consultants Private Limited
11.	Teoh Tee Hooi	Group Companies — Other Companies —	Group Companies Tiger Airways Singapore Pte. Ltd. Other Companies Virgin Atlantic Airways Limited Virgin Travel Group Limited Virgin Atlantic Limited
12.	Yap Chee Keong	Group Companies — Other Companies Accounting & Corporate Regulatory Authority CapitaMalls Asia Limited Entropy Ventures Limited Hup Soon Global Corporation Limited Singapore District Cooling Ltd SPI (Australia) Assets Pty Ltd The Assembly of Christians of Singapore Ltd The Straits Trading Company Limited	Group Companies — Other Companies Certain subsidiaries of Singapore Power Limited

	Name	Present Principal Directorships	Past Principal Directorships
13.	Chang Long Wee	Group Companies — Other Companies Fuel Accessory Services Technologies Pte Ltd Aeroxchange Ltd.	Group Companies — Other Companies —
14.	Lim Siew Lay	Group Companies — Other Companies —	Group Companies — Other Companies Virgin Holidays Ltd

senior management

We set out below certain information regarding our Senior Management as at the date of this Annual Report:

CHIN SAK HIN
Chief Financial Officer

Mr. Chin Sak Hin is the Chief Financial Officer of the Company ("CFO") and is responsible for the financial management, control and reporting, risk management and procurement, financing and leasing of the Company. He is also a director of Tiger Airways Singapore Pte. Ltd. ("Tiger Airways Singapore") and Tiger Airways Australia Pty Limited ("Tiger Airways Australia") since 1 June 2010. Prior to joining the Company on 3 June 2008, he was the chief financial officer at SIA Engineering Company Limited ("SIAEC"), from January 2007 to May 2008 with overall responsibility for the strategic and financial planning, management and statutory reporting, controllership, tax planning, treasury and risk management, and investor relations of SIAEC and its group of companies. Mr. Chin began his finance/accounting career with Ernst & Young LLP as an audit assistant in April 1982. From September 1983 to December 2006, Mr. Chin worked with Singapore Airlines Limited and held various senior management positions with the airline, most recently as its general manager of New Zealand from June 2003 to December 2006 after being its vice president (treasury) from July 2000 to May 2003. Mr. Chin graduated with a Bachelor of Accountancy (Hons.) from the National University of Singapore in 1982 and has been a certified public accountant of the Institute of Certified Public Accountants of Singapore since 1993.

CECILIA LIM SIOK LENG
General Counsel

Ms. Cecilia Lim Siok Leng joined the Company as General Counsel in January 2008 and leads the Group legal function. Ms. Lim is also the Company Secretary of the Company and of Tiger Airways Singapore. Prior to joining the Company, Ms. Lim served as legal counsel and senior legal counsel, Asia Pacific, in Huntsman (Asia Pacific) Pte Ltd from 2003 to 2006, and was its managing counsel, Asia Pacific, from 2006 to 2007. Prior to that, she was the corporate counsel, Asia region, of Baxter Healthcare (Asia) Pte Ltd from 1999 to 2003. Ms. Lim began her legal career as an advocate and solicitor at Allen & Gledhill (1991-1993), the then Helen Yeo & Partners (1994-1997) and WongPartnership (1997-1999). Ms. Lim was admitted to the Singapore Bar in 1992. She obtained a Bachelor of Laws from the National University of Singapore in 1991 and a Master of Laws from Cambridge University, United Kingdom, in 1994.

SOH KENG TAAN
Chief Information Officer

Mr. Soh Keng Taan is our Chief Information Officer responsible for the Group IT/IS and corporate marketing function. Prior to joining the Company in March 2008, he spent approximately ten years at ConocoPhillips where he held a number of key leadership positions, most recently as Asia Pacific manager for ConocoPhillips' global information systems application services with responsibility for its regional information systems support and delivery of enterprise wide applications. Mr. Soh graduated with a Bachelor of Science in Computer Science and Information Systems from the National University of Singapore in 1990.

REBECCA TAN-LOKE WON MOI
Chief Human Resource Officer

Ms. Rebecca Tan-Loke Won Moi joined the Company as Chief Human Resource Officer on 1 June 2010 with responsibility for the Group's human resource function. Prior to that she had held various senior HR professional appointments. Most recently, she was the senior vice president, human resource of Singapore Airport Terminal Services Limited from August 2005 to December 2009. Between February 2003 to July 2005, she was the regional vice president, human resource of Yeo Hiap Seng Ltd. Before that, she was with Pentex-Schweizer Circuits Ltd as group human resource director. Rebecca graduated with a Bachelor of Business in Business Administration from Royal Melbourne Institute of Technology, Australia in 1995. She also holds a Diploma in Personnel Management from National Productivity Board and a Diploma in Management Studies from Singapore Institute of Management.

senior management

ROSALYNN TAY EE HEAH
Managing Director Tiger Airways Singapore

Ms. Rosalynn Tay Ee Heah joined the Company as Chief Marketing Officer in February 2006 and became Chief Commercial and Marketing Officer in July 2006. Ms. Tay was promoted to be Managing Director of Tiger Airways Singapore in May 2008, taking responsibility for the performance of Tiger Airways Singapore. She has also been a director of Tiger Airways Singapore since 1 August 2008. Ms. Tay was the deputy managing director at Leo Burnett Advertising from 2003 to 2005. Prior to that, she was marketing director for Asia, and subsequently, the United Kingdom of Yum Restaurants International from 1998 to 2002, and was group account director from 1995 to 1998 at Ogilvy & Mather Advertising and at Bozell Advertising. She graduated with a Bachelor of Business Administration from the National University of Singapore in 1989.

CRAWFORD GRAHAM RIX
Managing Director Tiger Airways Australia

Mr. Crawford Graham Rix was appointed as Managing Director of Tiger Airways Australia on 1 June 2010 with responsibility for the performance of Tiger Airways Australia. He is also a director of Tiger Airways Australia since 1 June 2010. Mr. Rix was the managing director of bmibaby, a UK-based low cost airline from 2006 to 2010. Prior to that he was the managing director of bmi Regional, the bmi commuter airline, from 2004 to 2006. Previously he held key commercial roles in bmi, TAP Air Portugal and Dan-Air. He holds a Post Graduate Certificate in Business Studies from Derby University.

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corporate governance

The Board of Directors and Management of Tiger Airways Holdings Limited (the "Company") are committed to continually enhancing shareholder value by maintaining high standards of corporate governance, professionalism, integrity and commitment at all levels, underpinned by strong internal controls and risk management systems.

This Report sets out the Company's corporate governance processes, with specific reference to the guidelines of the Code of Corporate Governance 2005 (the "Code").

Board's Conduct of Affairs

Principle 1: Effective Board to lead and control the Company

The principal functions of the Board of Directors of the Company (the "Board") are inter alia to make decisions on strategic directions and guidelines for implementation by Management, approve periodic plans and major investments and divestments, ensure that the necessary financial and human resources are in place for the Company to meet its objectives, monitor Management's performance, and ensure that a framework of prudent and effective controls is in place to enable risks to be assessed and managed.

All Directors are required to exercise independent judgment in the best interests of the Company.

To assist the Board in the discharge of its oversight function, certain functions have been delegated by the Board to various board committees ("Board Committees"). The Board Committees constituted by the Board are the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"). Each of these Board Committees has been set up with clear written terms of reference.

The Board meets at least once every quarter, and more as warranted by particular circumstances. Directors may participate in a Board meeting by means of telephone conference or other similar communications equipment, under the Company's Articles of Association. The number of Board and Board Committee meetings held in FY2009/10, as well as the attendance of each Board member at these meetings, are disclosed below:

Name of Director	Board Meetings	Audit Committee Meetings	Nominating Committee Meetings	Remuneration Committee[19] Meetings
Gerard Ee Hock Kim[1]	2	2	NA	NA
Anthony Alfred Peter (Tony) Davis[2]	6	5	NA	5
Chan Hon Chew[3]	5	3	NA	3
Rachel Eng Yaag Ngee[4]	2	NA	NA	2
Brian Hanna Franke[5]	6	3	NA	2
Jack Koh Swee Lim[6]	5	NA	NA	1
Lee Chong Kwee[7]	2	NA	NA	NA
Lim Liang Song[8]	4	NA	NA	1
Alexander Maurice Mason[9]	6	3	NA	NA

corporate governance

Name of Director	Board Meetings	Audit Committee Meetings	Nominating Committee Meetings	Remuneration Committee[19] Meetings
Po'ad Bin Shaik Abu Bakar Mattar[10]	2	2	NA	2
Teoh Tee Hooi[11]	6	3	NA	NA
Yap Chee Keong[12]	2	2	NA	2
Daniel Cuthbert Ee Hock Huat[13]	2	NA	NA	2
William A Franke[14]	2	NA	NA	2
Png Kim Chiang[15]	1	NA	NA	2
Declan Ryan[16]	3	2	NA	NA
Soo Kok Leng[17]	3	NA	NA	3
Number of meetings held in FY2009/10	**6**	**5**	**NA**[18]	**5**

(1) Mr. Ee was appointed as Director on 23 November 2009. He was appointed as a member of the AC on 14 December 2009.

(2) Mr. Davis attended the committee meetings as an ex-officio member in his capacity as the CEO.

(3) Mr. Chan was appointed as a member of the RC on 12 January 2009. He resigned as a member of the AC on 14 December 2009.

(4) Ms. Eng was appointed as Director on 1 December 2009. She was appointed as a member of the RC on 14 December 2009.

(5) Mr. Franke was appointed as a member of the RC on 14 December 2009. He resigned as a member of the AC on 14 December 2009.

(6) Mr. Koh resigned as a member of the RC on 14 December 2009.

(7) Mr. Lee was appointed as Director on 1 December 2009.

(8) Mr. Lim was appointed as Director on 9 October 2009. He resigned as a member of the RC on 14 December 2009.

(9) Mr. Mason resigned as a member of the AC on 14 December 2009.

(10) Mr. Mattar was appointed as Director on 1 December 2009. Mr. Mattar was appointed as a member of each of the AC and the RC on 14 December 2009.

(11) Mr. Teoh resigned as a member of the AC on 14 December 2009.

(12) Mr. Yap was appointed as Director on 1 December 2009. Mr. Yap was appointed as a member of each of the AC and the RC on 14 December 2009.

(13) Mr. Ee was appointed as Chairman and Director on 6 September 2007 and retired on 22 September 2009. He was a member of the RC until his retirement.

(14) Mr. Franke was appointed as Director on 6 September 2007 and resigned on 9 October 2009. He was a member of the RC until his resignation.

(15) Mr. Png was appointed as Director on 6 September 2007 and resigned on 1 June 2009. He was a member of the RC until his resignation.

(16) Mr. Ryan was appointed as Director on 6 September 2007 and resigned on 1 December 2009. He was a member of the AC until his resignation.

(17) Mr. Soo was appointed as Director on 6 September 2007 and resigned on 1 December 2009. He was a member of the RC until his resignation.

(18) There were no NC meetings held in FY2009/10.

(19) The RC was previously known as the compensation committee.

As a matter of policy, the Management will go to the Board for approval on major matters, in particular on acquisitions and divestments, capital expenditure, banking loans, credit facilities and budget approvals.

A formal letter of appointment is sent to newly appointed independent directors of the Company ("Independent Directors") upon their appointment, setting out their duties and obligations as Director in respect of potential conflicts of interest, interested person transactions and disclosure of directors' interests. In conjunction with the Company's initial public offering earlier this year, the Directors were given a briefing on their duties and obligations as Directors, as well as on a listed company's corporate governance practices. All new Directors to the Board are briefed by Management on the Group's business activities, its strategic direction and policies. The Company will be looking into providing suitable external training and development programmes to new directors.

Board Composition and Balance

Principle 2: Strong and independent Board

The Board presently comprises 12 Directors, all of whom, except for the Group President and Chief Executive Officer of the Company ("CEO"), are non-executive Directors of the Company ("Non-Executive Directors"). Four of the Directors are considered as independent directors of the Company by the NC. Please refer to the Board of Directors section for their individual profiles.

The NC reviews and determines on an annual basis whether or not a Director is independent, in accordance with the Code and any other salient factors.

Mr. Yap Chee Keong was the Chief Financial Officer of Singapore Power Limited ("SP") and its subsidiaries from September 2002 to January 2009 and an adviser to SP, a wholly-owned subsidiary of Temasek Holdings (Private) Limited ("Temasek Holdings"), from 1 February to 2009 to 31 December 2009. However, the Board has reviewed Mr. Yap's independence under the Code and, based on representations made by Mr. Yap and Temasek Holdings, has determined that Mr. Yap has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of Mr. Yap's independent business judgment of the best interests of the Company. The Board reached this conclusion based on the following reasons:

- Temasek Holdings does not hold the Company's shares directly but is deemed to be interested in the Company's shares held by Dahlia Investments Pte Ltd ("Dahlia") a wholly-owned subsidiary of Temasek Holdings, and Singapore Airlines Limited ("Singapore Airlines"), a subsidiary of Temasek Holdings;

- Temasek Holdings has confirmed that it does not direct the commercial or operational decisions of its portfolio companies, which includes SP, which are guided and supervised by their respective board of Directors;

- Mr. Yap has confirmed that he is not a nominee of Temasek Holdings, Dahlia or Singapore Airlines on the Board. This fact has been confirmed by the representatives of Temasek Holdings, Dahlia and Singapore Airlines sitting on the Board;

- Mr. Yap has further confirmed that he has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the existence of his independent business judgment with a view to the best interests of the Company; and

- Mr. Yap's participation on the Board will benefit the Company given his expertise.

The NC is of the view that, taking into account the present nature and scope of the Company's business, the Board size is adequate.

The NC is satisfied that the Board comprises Directors who as a group provide core competencies such as accounting or finance, legal, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, required for the Board to be effective.

Chairman and Chief Executive Officer

Principle 3: Chairman and Chief Executive Officer to be separate persons to ensure appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making

The chairman of the Company (the "Chairman") and the CEO have separate roles in the Company and the Chairman and the CEO are not related to each other.

The Chairman has been an Independent Director of the Company since 23 November 2009. The Chairman chairs Board meetings, oversees the Board's functions and agenda, including the effective contribution of Non-Executive Directors, ensures that the Directors receive accurate, timely and clear information and communicate effectively with the Company's shareholders ("Shareholders"), and promotes high standards of corporate governance.

The CEO leads the management team and directs the business of the Group in line with the Group's strategic directions and policies. The CEO keeps in regular communication with the Chairman and the Board to update them on corporate issues and developments.

Board Membership

Principle 4: Formal and transparent process for the appointment of new Directors to the Board

The Company has established the NC to, among other things, make recommendations to the Board on all Board appointments. The NC currently consists entirely of Non-Executive Directors, a majority of whom (including the chairperson, Ms. Rachel Eng Yaag Ngee) are independent. Ms. Eng is not, and is not directly associated with (i.e. accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of) a substantial Shareholder (with interest of 5% or more in the voting shares of the Company.)

The members of the NC comprise Ms. Rachel Eng Yaag Ngee, and Messrs. Gerard Ee Hock Kim, Lee Chong Kwee, Teoh Tee Hooi and Yap Chee Keong.

The responsibilities of the NC include, among others, recommending to the Board candidates for senior management positions and candidates for directorships (including executive directorships) and the re-election of Directors retiring under the Company's Articles of Association, having regard to the Directors' contribution and performance, on an annual basis, reviewing whether a Director is independent (in accordance with the Code and any other salient factors) and the composition of the Board to ensure that the Board has an appropriate balance of expertise, skills, attributes and abilities and where a Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his duties as Director.

The NC uses its best efforts to ensure that the Directors appointed to the Board possess the skill, experience and knowledge in the business, finance and management necessary to the Group's business. Suitable candidates are proposed through the recommendations of the Directors or by the substantial Shareholders of the Company. The NC will then interview and review such proposed new Directors before recommending them to the Board for appointment.

The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. The Company's Articles of Association provide for one-third of the Board to retire at each AGM and, where applicable, to submit themselves for re-election.

Pursuant to the Company's Articles of Association, all new appointees to the Board, if not elected by Shareholders at the AGM, will only hold office until the next AGM after the date of their appointment. Before new directors are put forward for election by Shareholders at the AGM, the NC will review their suitability for recommendation to the Board for approval.

Key information regarding the Directors is set out in the Board of Directors section of this Annual Report.

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board

The Board will be implementing a process, to be carried out by the NC, for assessing the effectiveness of the Board. The NC will decide how the Board's performance may be evaluated and propose objective performance criteria. The NC will also separately consider the process to be carried out by the NC for assessing the effectiveness of the Board as a whole and/or the contribution by each Director individually.

Access to Information

Principle 6: Board members have complete, adequate and timely information

The Company recognises that Management has an obligation to supply the Board with complete and adequate information in a timely manner. Board papers are sent to Directors in advance before the Board meeting to ensure that Directors are adequately prepared for the meeting. Directors who have queries on contents of board papers can make further enquiries to Management thereon.

One of the Company Secretaries administers, attends and prepares minutes of Board proceedings. The Company Secretaries assist the Chairman to ensure that board procedures are followed (including ensuring good information flows within the Board and its committees and between Management and Directors) and that applicable rules and regulations are complied with. Directors have separate and independent access to Management and the Company Secretaries.

The Independent Directors are entitled to seek independent professional advice on Company-related matters (including those relating to their role and responsibility as a director) at the expense of the Company, subject to the costs being approved by the Chairman or the Board in advance as being reasonable.

corporate governance

Remuneration Matters

Principle 7: The procedure for developing policy on executive remuneration and for fixing remuneration packages of individual Directors should be formal and transparent

The RC comprises entirely of Non-Executive Directors, a majority of whom (including the chairman, Mr. Yap Chee Keong) are independent. The members of the RC comprise Messrs. Yap Chee Keong, Chan Hon Chew, Brian Hanna Franke and Po'ad Bin Shaik Abu Bakar Mattar, and Ms. Rachel Eng Yaag Ngee. The RC is responsible for, among other matters, recommending to the Board, in consultation with the Chairman, a remuneration policy framework and guidelines for remuneration of the Directors and key executives, and deciding specific remuneration packages for each of the Directors and the CEO.

The RC also periodically considers and reviews remuneration packages in order to maintain their attractiveness, to retain and motivate the Directors and key executives and to align the interests of Management with that of the Company and Shareholders. This will inter alia be through their participation in the Tiger Airways Long Term Incentive Plan proposed to be implemented by the Company at the upcoming extraordinary general meeting.

Principle 8: Remuneration of Directors should be adequate but not excessive

Executive Director

The CEO is the only executive director of the Company. His compensation plan is formulated to ensure that it is market competitive and that the rewards are commensurate with his contributions. The compensation package comprises basic salary and performance bonus which relate directly to the financial performance of the Group and personal contributions. During the financial year ended 31 March 2010, he also received share options under the Pre-IPO Tiger Aviation Share Option Scheme. If the implementation of the Tiger Airways Long Term Incentive Plan is approved by shareholders at the upcoming extraordinary general meeting, the CEO will be eligible to participate in the plan. The CEO does not receive any directors' fees.

Non-Executive Directors (including Independent Directors)

The fee structure for Non-Executive Directors is based on market practice, with each Director paid a retainer fee of S$30,000 per annum, and in addition, the following additional fees:

Position held	Additional fees per annum (S$)
Chairman of the Board	40,000
AC chairman	15,000
NC chairman	10,000
RC chairman	10,000
Member of AC, NC and/or RC	5,000 per Board Committee membership

If a directorship is held for a part of the year, the fees are prorated accordingly. The fees are payable to each Independent Director from their respective dates of first appointment to the Board or Board Committee, as the case may be, and to the other Directors from the date of the listing of the Company on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Prior to the listing of the Company, the non-independent Directors were not paid Directors' fees. Mr. Daniel Ee was the only Independent Director then and he was paid an annual fee of S$85,000.

Accordingly, each of the Directors (other than the CEO) received the following Directors' fees for FY2009/2010:

Name of Director	Directors' fees amount (S$)
Gerard Ee Hock Kim	28,444.45
Chan Hon Chew	6,774.20
Brian Hanna Franke	6,774.20
Jack Koh Swee Lim	5,806.45
Lee Chong Kwee	6,774.20
Lim Liang Song	5,806.45
Alexander Maurice Mason	5,806.45
Teoh Tee Hooi	6,774.20
Po'ad Bin Shaik Abu Bakar Mattar	16,666.67
Rachel Eng Yaag Ngee	15,000.00
Yap Chee Keong	16,666.67
Daniel Cuthbert Ee Hock Huat[(1)]	40,611.11

(1) appointed as Chairman and Director on 6 September 2007 and retired on 22 September 2009

It is intended that the same Directors' fee structure will be adopted for FY2010/2011.

Principle 9: There should be clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration

The objective of the Group's remuneration policy is to attract, motivate, reward and retain quality staff. The total compensation package for employees comprise basic salary, variable performance bonus, share options for eligible employees under the Pre-IPO Tiger Aviation Share Option Scheme as well as benefits. In determining the composition of the package, the nature of the role performed and market practice are taken into consideration. For key executives, the Group adopts a performance-driven approach to compensation with rewards linked to individual, team and corporate performance. The compensation for key executives is reviewed by the RC.

The level and mix of the remuneration of the CEO and next five top key executives of the Company in bands of S$250,000, for FY2009/2010 are set out below:

Name of Executive	Remuneration Band	Salary %	Performance Based Bonuses %	Other Benefits[1] %	Total %
Anthony Alfred Peter (Tony) Davis	S$750,001 – S$1,000,000	67.85	32.15	nil	100
Chin Sak Hin	S$250,001 – S$500,000	81.06	16.72[3]	2.22	100
Cecilia Lim Siok Leng	S$250,001 – S$500,000	75.12	21.41	3.47	100
Soh Keng Taan	S$250,001 – S$500,000	78.04	17.80	4.16	100
Rosalynn Tay Ee Heah	S$250,001 – S$500,000	73.62	22.82	3.56	100
Shelley Roberts[2]	S$500,001 – S$750,000	66.37	11.06[4]	22.57	100

(1) Other Benefits include CPF contribution/superannuation and relocation allowance.

(2) Ms. Roberts held the position of managing director of Tiger Airways Australia from July 2008 to 1 June 2010. Mr. Crawford Rix was appointed as managing director of Tiger Airways Australia on 1 June 2010.

(3) Mr. Chin joined the Group on 3 June 2008 and received pro-rated bonus in respect of FY2008/09.

(4) Ms. Roberts joined the Group on 14 July 2008 and received pro-rated bonus in respect of FY2008/09.

There are no employees who are immediate family members of a Director or the CEO whose remuneration exceeded S$150,000 during FY2009/2010.

Further information on the Pre-IPO Tiger Aviation Share Option Scheme which was terminated on the listing of the Company's shares on the SGX-ST can be found on pages 35 to 37 of this Annual Report. The Company is proposing the approval of the Tiger Airways Long Term Incentive Plan to Shareholders at the Company's EGM on 30 July 2010.

Accountability

Principle 10: The Board should present a balanced and understandable assessment of the Company's performance, position and prospects

The Board is responsible for providing a balanced and understandable assessment of the Company's performance, position and prospects, including quarterly and full-year financial results announcements and other price sensitive public announcements. The Management provides all members of the Board with monthly management accounts which present an assessment of the Company's performance, position and prospects.

Audit Committee

Principle 11: Establishment of Audit Committee with written terms of reference

The AC comprises entirely of Non-Executive Directors (including the chairman, Mr. Po'ad Bin Shaik Abu Bakar Mattar), all of whom are independent. The members of the AC comprise Messrs. Po'ad Bin Shaik Abu Bakar Mattar, Gerard Ee Hock Kim and Yap Chee Keong.

Messrs. Po'ad Bin Shaik Abu Bakar Mattar, Gerard Ee Hock Kim and Yap Chee Keong all have the necessary accounting background and are members of the Institute of Certified Public Accountants of Singapore.

The duties of the AC include reviewing significant financial reporting issues to ensure the integrity of the financial statements and any formal announcements relating to financial performance, reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the external auditors, reviewing the adequacy of the internal controls at least annually and the statements to be included in the annual report concerning the adequacy of the internal controls, oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board, reviewing any interested person transactions ("IPTs") as defined in the listing manual of the SGX-ST (the "Listing Manual"), monitoring and reviewing the effectiveness of the internal audit function, and making recommendations to the Board on the appointment of the external auditor, and approving its remuneration and terms of engagement.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

During the year, the AC met with the external auditors twice and one of these meetings with the external auditors was conducted without the presence of Management.

During the year, the AC performed independent review of the financial statements of the Company before the announcement of the Company's quarterly and full-year financial results. The AC also reviewed and approved both the internal auditors' and the external auditors' plans to ensure that the plans covered sufficiently in terms of audit scope in reviewing the significant internal controls of the Company. All audit findings and recommendations presented by the internal auditors and external auditors were also reviewed during AC meetings and significant issues were discussed.

In addition, the AC reviewed the independence of the external auditors through discussions with the external auditors as well as reviewed the non-audit fees awarded to them, and has confirmed that the non-audit services performed by the external auditors would not affect their independence.

PricewaterhouseCoopers LLP ("PwC") was appointed the Company's out-sourced internal auditors in the financial year under review. Since their appointment, they have conducted a risk workshop for Management to identify the key internal control risks faced by the Company, and have developed an audit plan and commenced audits covering the key control risks. The AC has met PwC twice during the year and discussed their audit plan and work done by them. The AC will work together with PwC to further enhance the internal audit function. The AC also reviewed the adequacy of the internal audit function and is satisfied that the internal auditors are adequately resourced to discharge their duties effectively.

corporate governance

The Company has in place a Whistle Blowing Policy which provides the mechanism by which employees may raise concerns in confidence about possible wrongdoing in financial reporting or other matters. The AC reviewed the policy and was satisfied that arrangements are in place for independent investigations of such matters and for appropriate follow-up actions.

On a quarterly basis, the AC reviewed the IPTs reported by Management in accordance with the Company's Shareholders mandate for IPTs. The IPTs were also reviewed by the internal auditors. All findings were reported during the AC meetings.

Internal Controls

Principle 12: Sound system of internal controls

The Board is ultimately responsible for the overall internal control system and risk management framework within the Tiger Airways group of companies ("Group"), with assistance from the AC. To assist in this process, the Group has outsourced the internal audit function to undertake this function. With input from Management, objectives were identified, a risk assessment was carried out and areas of focus established. Risks were then ranked and the internal audit program designed.

The Board is satisfied that with the assistance of the AC, current internal controls and risk management processes are satisfactory for the Group's operations. The Board recognises that the internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

Internal Audit

Principle 13: Independent internal audit function

The Company appointed PwC as the Company's internal auditors.

The role of the internal auditors is to assist the AC to ensure that the Company maintains a sound system of internal controls by regular monitoring of key controls and procedures and ensuring their effectiveness and undertaking investigations as directed by the AC. The internal auditors have direct access to the AC and reports to the AC Chairman on all issues of concern.

During the year, the internal auditors adopted a risk-based auditing approach that focused on material internal controls, including financial, operational and compliance controls. All internal audit reports were submitted to the AC for deliberation with copies of reports extended to the Chairman and the relevant members of Management. The summary of findings and recommendations were also discussed at AC meetings.

The AC monitors and reviews the effectiveness of the internal audit function annually.

Communication with Shareholders

Principle 14: Regular, effective and fair communication with Shareholders

The Company's Investor Relations function regularly communicates with Shareholders and receives and attends to their queries and concerns.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXnet and the press. To ensure a level playing field and provide confidence to Shareholders, unpublished price sensitive information are not selectively disclosed.

Principle 15: Greater Shareholder participation at Annual General Meetings

Shareholders are informed of Shareholders' meetings through notices published in the newspapers and reports or circulars sent to all Shareholders.

The Company's Articles of Association allow a Shareholder to appoint up to two proxies to attend and vote in AGMs instead of the Shareholder.

Resolutions at general meetings are, as far as possible, structured separately and may be voted on independently.

The chairpersons of the AC, NC and RC are required to be present and available at general meetings to address Shareholders' questions. External auditors are also present at such meetings to address Shareholders' queries about the conduct of audit and the preparation and content of the auditors' report.

The Company Secretaries prepare minutes of Shareholders' meetings, which incorporates substantial comments or queries from Shareholders and responses from the Board and Management. These minutes are available to Shareholders upon request.

In preparation for the annual general meeting, Shareholders are encouraged to refer to SGX's investor guides, namely 'An Investor's Guide To Reading Annual Reports' and 'An Investor's Guide To Preparing For Annual General Meetings'. The guides, in both English and Chinese versions, are available at the SGX website via this link:

http://www.sgx.com/wps/portal/marketplace/mp-en/investor_centre/investor_guide

Securities Transactions

Share Trading Policy

The Company has a formal policy on dealings in the securities of the Company, which sets out the implications of insider trading and guidance on such dealings. The policy has been distributed to all Directors and employees of the Group. In line with the best practices on securities dealings issued by the SGX-ST, the Company issues notices to the Directors and employees of the Group informing them that they must not deal in the listed securities of the Company a month before the release of the full-year results and two weeks before the release of the quarterly results, and if they are in possession of unpublished material price-sensitive information.

directors' report

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Tiger Airways Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2010.

Directors

The directors of the Company in office at the date of this report are:

Gerard Ee Hock Kim (Chairman)
Anthony Alfred Peter Davis
Chan Hon Chew
Rachel Eng Yaag Ngee
Brian Hanna Franke
Jack Koh Swee Lim
Lee Chong Kwee
Lim Liang Song
Alexander Maurice Mason
Po'ad Bin Shaik Abu Bakar Mattar
Teoh Tee Hooi
Yap Chee Keong

Arrangements to enable directors to acquire shares and debentures

Except as disclosed in this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50, an interest in shares and shares options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest			Deemed interest		
Name of Director	At 1.4.09 or date of appointment(1)	At 31.3.10	At 21.4.10	At 1.4.09 or date of appointment(1)	At 31.3.10	At 21.4.10
Ordinary shares of the Company						
Anthony Alfred Peter Davis	–	1,948,410	3,948,410	–	–	–
Alexander Maurice Mason	–	–	–	–	–(2)	–(2)
Share options of the Company						
Anthony Alfred Peter Davis	7,854,480	5,906,070	3,906,070	–	–	–

(1) A sub-division of each of the ordinary shares of the Company into 15 ordinary shares was completed on 14 December 2009 ("Share Split"). These options were granted before the Share Split and the information in this table has been adjusted to give effect to the Share Split.

(2) Alexander Maurice Mason beneficially owns 14.38% of the Company's shares held by Ryanasia Limited.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Options

The Pre-IPO Tiger Aviation Share Options 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. (formerly known as Tiger Airways Pte. Ltd.), approved by its Board of Directors on 7 December 2004.

All options granted by Tiger Airways Singapore Pte. Ltd. were replaced by options of the Scheme. The grant date is deemed to be the same as those options granted by Tiger Airways Singapore Pte. Ltd..

Options (Continued)

The exercise price of the option is determined by the Compensation Committee and reflects the fair value of the share as at the date of grant. Details of all the options to subscribe for ordinary shares of the Company pursuant to the Scheme as at 31 March 2010 are as follows:

Expiry date	Exercise Price (S$)	Number of Options '000
Between 1 April 2010 and 31 March 2011	0.10	135
	0.13	98
Between 1 April 2014 and 31 March 2015	0.08	5,530
	0.13	270
Between 1 April 2015 and 31 March 2016	0.08	232
	0.10	132
Between 1 April 2016 and 31 March 2017	0.10	199
Between 1 April 2017 and 31 March 2018	0.10	232
	0.13	4,692
Between 1 April 2018 and 31 March 2019	0.13	3,774
Between 1 April 2019 and 31 March 2020	0.13	337
	0.26	2,323
Total		17,954

Under the Scheme, options will vest:

(i) one year from the date of grant for one third of the allocated share options;

(ii) two years from the date of grant for additional one third of the allocated share options; and

(iii) three years from the date of grant for remaining one third of the allocated share options.

The Scheme was previously administered by the Compensation Committee comprising directors namely Mr Chan Hon Chew, Mr Jack Koh Swee Lim, Mr Lim Liang Song and Mr Soo Kok Leng.

On 14 December 2009, the Compensation Committee was renamed the Remuneration Committee and its members are Mr Yap Chee Keong (Chairman), Mr Chan Hon Chew, Ms Rachel Eng Yaag Ngee, Mr Brian Hanna Franke and Mr Po'ad Bin Shaik Abu Bakar Mattar.

During the financial year ended 31 March 2010, the Company has granted 2,930,000 share options under the Scheme. These options expire between 1 April 2019 and 31 March 2020.

Options (Continued)

Since the commencement of the Scheme till the end of the financial year:

(i) no options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted; and

(ii) no options have been granted at a discount.

Under the terms of the Scheme, controlling shareholders and their associates, nominee directors or employees, were not eligible to participate in the Scheme.

The Scheme has 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.

Details of the options to subscribe for ordinary shares of the Company granted to directors of the Company pursuant to the Scheme are as follows:

Name of director	Options granted during the financial year[(1)]	Aggregate options granted since commencement of the Scheme to end of financial year[(1)]	Aggregate options exercised since commencement of the Scheme to end of financial year[(1)]	Cancelled[(1)]	Aggregate options outstanding as at end of financial year[(1)]
Anthony Alfred Peter Davis	–	9,863,775	1,948,410	2,009,295[(2)]	5,906,070
Total	–	9,863,775	1,948,410	2,009,295	5,906,070

(1) A sub-division of each of the ordinary shares of the Company into 15 ordinary shares was completed on 14 December 2009 ("Share Split"). These options were granted before the Share Split and the information in this table has been adjusted to give effect to the Share Split.

(2) Anthony Alfred Peter Davis had options over 2,009,295 shares cancelled in financial year 2009 and was compensated for the cancellation.

Audit committee

The Audit Committee performed the functions in accordance with its terms of reference, which includes those functions specified in the Singapore Companies Act. The functions performed are detailed in the Report on Corporate Governance.

directors' report

Auditors

Ernst & Young LLP have expressed their willingness to accept reappointment as auditors.

On behalf of the board of directors:

Gerard Ee Hock Kim
Chairman

Anthony Alfred Peter Davis
Group Chief Executive Officer and President

Singapore
29 June 2010

statement by directors

We, Gerard Ee Hock Kim and Anthony Alfred Peter Davis, being two of the directors of Tiger Airways Holdings Limited, do hereby state that, in the opinion of the directors,

(i) the accompanying balance sheets, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity, and consolidated cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2010 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors:

Gerard Ee Hock Kim
Chairman

Anthony Alfred Peter Davis
Group Chief Executive Officer and President

Singapore
29 June 2010

independent auditors' report

for the financial year ended 31 March 2010

To the Members of Tiger Airways Holdings Limited

We have audited the accompanying financial statements of Tiger Airways Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 42 to 98, which comprise the balance sheets of the Group and the Company as at 31 March 2010, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the Act) and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

independent auditors' report

for the financial year ended 31 March 2010

Opinion

In our opinion,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2010 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and

(ii) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Certified Public Accountants

Singapore
29 June 2010

consolidated income statement

for the financial year ended 31 March 2010

	Note	2010 $'000	2009 $'000
Revenue			
Passenger seat revenue		**392,095**	327,845
Ancillary revenue		**94,081**	50,198
Total revenue		**486,176**	378,043
Expenses			
Staff costs	4	**58,474**	48,324
Depreciation	10	**584**	127
Fuel costs:			
– Actual fuel costs		**160,469**	181,641
– Fuel hedging loss		**21,727**	17,305
Maintenance, material and repair		**55,660**	41,198
Marketing and distribution costs		**5,287**	7,611
Aircraft rental		**69,797**	60,730
Route charges		**30,660**	22,189
Airport and handling		**49,475**	29,123
Others		**6,018**	17,340
		(458,151)	(425,588)
Operating profit/(loss)	5	**28,025**	(47,545)
Expenses relating to initial public offering	6	**(8,290)**	–
Finance income, net	7	**239**	366
Share in loss of an associate		**–**	(498)
		(8,051)	(132)
Profit/(loss) before taxation		**19,974**	(47,677)
Taxation	8	**8,280**	(3,151)
Profit/(loss) for the year attributable to shareholders of the Company		**28,254**	(50,828)
Earnings/(loss) per share ($)			
– Basic	9	**0.07**	(0.14)
– Diluted	9	**0.07**	(0.14)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

consolidated statement of comprehensive income

for the financial year ended 31 March 2010

	2010 $'000	2009 $'000
Net profit/(loss) for the year	**28,254**	(50,828)
Other comprehensive income/(expense):		
Foreign currency translation	**(18,595)**	9,593
Net fair value changes on cash flow hedges	**24,262**	(29,798)
Other comprehensive income/(expense) for the year, net of tax	**5,667**	(20,205)
Total comprehensive income/(expense) for the year attributable to shareholders of the Company	**33,921**	(71,033)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

balance sheets

as at 31 March 2010

	Note	Group 2010 $'000	Group 2009 $'000	Company 2010 $'000	Company 2009 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	**320,374**	124,642	**177,866**	61,532
Investment in subsidiaries	11	**–**	–	**24,355**	24,355
Deferred tax assets	12	**16,840**	10,082	**–**	–
Other receivables	13	**16,054**	13,132	**–**	–
		353,268	147,856	**202,221**	85,887
Current assets					
Trade receivables		**1,506**	1,338	**–**	–
Other receivables	13	**19,481**	18,486	**1,186**	315
Prepayments		**4,593**	6,234	**169**	124
Amount due from a subsidiary	14	**–**	–	**33,635**	30,299
Derivative financial instruments	15	**1,602**	–	**–**	–
Cash and cash equivalents	16	**206,738**	13,215	**180,462**	471
		233,920	39,273	**215,452**	31,209
Total assets		**587,188**	187,129	**417,673**	117,096
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables	17	**108,113**	72,657	**–**	–
Sales in advance of carriage		**73,788**	55,964	**–**	–
Other payables		**4,516**	4,418	**2,822**	1,897
Amount due to subsidiaries	18	**–**	–	**146,838**	93,181
Bank loans	19	**109,620**	101,150	**–**	–
Deferred income	20	**3,023**	2,941	**104**	–
Provisions	21	**1,764**	2,595	**–**	–
Derivative financial instruments	15	**2,715**	25,770	**–**	–
Provision for taxation		**1,897**	775	**208**	200
		305,436	266,270	**149,972**	95,278
Non-current liabilities					
Amount due to a subsidiary	22	**–**	–	**21,583**	–
Bank loans	19	**101,923**	–	**–**	–
Deferred income	20	**23,091**	26,349	**–**	–
Provisions	21	**6,997**	4,017	**–**	–
		132,011	30,366	**21,583**	–
Total liabilities		**437,447**	296,636	**171,555**	95,278
Equity					
Share capital	23	**249,493**	24,355	**249,493**	24,355
Accumulated losses		**(90,266)**	(118,520)	**(3,948)**	(2,887)
Other reserves	24	**(9,486)**	(15,342)	**573**	350
Total equity		**149,741**	(109,507)	**246,118**	21,818
Total equity and liabilities		**587,188**	187,129	**417,673**	117,096

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

statements of changes in equity

for the financial year ended 31 March 2010

	Share capital $'000 (Note 23)	Accumulated losses $'000	Other reserves $'000 (Note 24)	Total $'000
Group				
Opening balance at 1 April 2008	24,355	(67,692)	4,673	(38,664)
Net loss for the year	–	(50,828)	–	(50,828)
Other comprehensive expense for the year	–	–	(20,205)	(20,205)
Total comprehensive expense for the year	–	(50,828)	(20,205)	(71,033)
Share-based compensation expense	–	–	190	190
Balance at 31 March 2009 and 1 April 2009	24,355	(118,520)	(15,342)	(109,507)
Net profit for the year	–	28,254	–	28,254
Other comprehensive income for the year	–	–	5,667	5,667
Total comprehensive income for the year	–	28,254	5,667	33,921
Share-based compensation expense	–	–	294	294
Proceeds from shares issued, net of share issuance expense	224,027	–	–	224,027
Share options exercised	1,111	–	(105)	1,006
Balance at 31 March 2010	249,493	(90,266)	(9,486)	149,741

	Share capital $'000 (Note 23)	Accumulated losses $'000	Employee share option reserve $'000 (Note 24(b))	Total $'000
Company				
Opening balance at 1 April 2008	24,355	797	160	25,312
Total comprehensive expense for the year	–	(3,684)	–	(3,684)
Share-based compensation expense	–	–	190	190
Balance at 31 March 2009 and 1 April 2009	24,355	(2,887)	350	21,818
Total comprehensive expense for the year	–	(1,061)	–	(1,061)
Share-based compensation expense	–	–	294	294
Proceeds from shares issued, net of share issuance expense	224,027	–	–	224,027
Employee share option reserve transferred from subsidiary	–	–	34	34
Share options exercised	1,111	–	(105)	1,006
Balance at 31 March 2010	249,493	(3,948)	573	246,118

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

consolidated cash flow statement

for the financial year ended 31 March 2010

	Note	2010 $'000	2009 $'000
Cash flows from operating activities:			
Profit/(loss) before taxation		**19,974**	(47,677)
Adjustments for:			
Depreciation of property, plant and equipment	10	**584**	127
Amortisation of deferred income	5	**(3,078)**	(2,968)
Amortisation of maintenance reserve advance payment		**537**	246
Share-based compensation expense	4	**294**	190
Share in loss of an associate		**–**	498
Interest expense	7	**359**	33
Interest income	7	**(1,021)**	(706)
Unrealised exchange differences		**(10,581)**	2,372
Operating profit/(loss) before working capital changes		**7,068**	(47,885)
Increase in trade and other receivables		**(2,552)**	(11,986)
Increase/(decrease) in sales in advance of carriage		**12,277**	(2,739)
Increase in trade and other payables and provisions		**30,820**	25,367
Decrease/(increase) in prepayments		**2,109**	(2,854)
Cash flows from/(used in) operations		**49,722**	(40,097)
Interest received		**220**	706
Income tax paid		**(83)**	(90)
Net cash flows from/(used in) operating activities		**49,859**	(39,481)
Cash flows from investing activities:			
Purchase of property, plant and equipment	10	**(239,417)**	(78,457)
Proceeds from disposal of property, plant and equipment		**43,101**	40,179
Net cash flows used in investing activities		**(196,316)**	(38,278)
Cash flow from financing activities:			
Proceeds from issuance of shares	23	**233,334**	–
Proceeds from exercise of employee share option		**1,006**	–
Share issuance expense	23	**(9,307)**	–
Repayment of bank loans		**(70,472)**	(37,491)
Proceeds from bank loans		**185,352**	95,315
Interest paid		**(359)**	(33)
Net cash flows from financing activities		**339,554**	57,791
Net increase/(decrease) in cash and cash equivalents		**193,097**	(19,968)
Effect of exchange rate changes on cash and cash equivalents		**426**	(222)
Cash and cash equivalents at 1 April	16	**13,215**	33,405
Cash and cash equivalents at 31 March	16	**206,738**	13,215

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

notes to the financial statements

31 March 2010

1. Corporate information

Tiger Airways Holdings Limited (the "Company") is a limited liability company incorporated in Singapore which is also the place of domicile. The Company is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). The Company and its subsidiaries are collectively referred to as the "Group".

Its registered office is located at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623. The principal place of business is located at #035-54, Changi Airport Terminal One, Singapore 819642.

With effect from 11 November 2009, the Company changed its name from Tiger Aviation Pte. Ltd. to Tiger Airways Holdings Pte. Ltd. and with effect from 18 December 2009, the Company changed its name from Tiger Airways Holdings Pte. Ltd. to Tiger Airways Holdings Limited.

The principal activity of the Company is airline and aircraft management. The principal activities of the subsidiaries are disclosed in Note 11.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values are rounded to the nearest thousand ($'000) unless otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2009, the Group adopted the following standards and interpretations mandatory for annual financial periods beginning on or after 1 April 2009.

- FRS 1 Presentation of Financial Statements (Revised)
- Amendments to FRS 18 Revenue
- Amendments to FRS 23 Borrowing Costs
- Amendments to FRS 32 Financial Instruments: Presentation and FRS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendments to FRS 101 First-time Adoption of Financial Reporting Standards and FRS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

2. Summary of significant accounting policies (Continued)

2.2 Changes in accounting policies (Continued)

- Amendments to FRS 102 Share-based Payment – Vesting Conditions and Cancellations
- Amendments to FRS 107 Financial Instruments: Disclosures
- FRS 108 Operating Segments
- Improvements to FRSs issued in 2008
- INT FRS 113 Customer Loyalty Programmes
- INT FRS 116 Hedges of a Net Investment in a Foreign Operation
- Amendments to INT FRS 109 Reassessment of Embedded Derivatives and FRS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives
- INT FRS 118 Transfers of Assets from Customers

Adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group. They did however give rise to additional disclosures, including, in some cases, revisions to accounting policies.

The principal effects of these changes are as follows:

FRS 1 Presentation of Financial Statements – Revised Presentation

The revised FRS 1 separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of other comprehensive income. In addition, the Standard introduces the statement of comprehensive income which presents income and expense recognised in the period. This statement may be presented in one single statement, or two linked statements. The Group has elected to present this statement as two linked statements.

Amendments to FRS 107 Financial Instruments: Disclosures

The amendments to FRS 107 require additional disclosure about fair value measurement and liquidity risk. Fair value measurements are to be disclosed by source of inputs using a three level hierarchy for each class of financial instrument. In addition, reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required, as well as significant transfers between Level 1 and Level 2 fair value measurements. The amendments also clarify the requirements for liquidity risk disclosures. The fair value measurement disclosures and liquidity risk disclosures are presented in Note 28 and Note 27 to the financial statements respectively.

FRS 108 Operating Segments

FRS 108 requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary and secondary reporting segments of the Group. The Directors are of the view that the Group operates in one Segment as defined in FRS 108. Disclosures about each of the segments are shown in Note 30.

2. **Summary of significant accounting policies** (Continued)

2.2 **Changes in accounting policies** (Continued)

Improvements to FRSs issued in 2008

In 2008, the Accounting Standards Council issued an omnibus of amendments to FRS. There are separate transitional provisions for each amendment. The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the Group:

- FRS 1 Presentation of Financial Statements: Assets and liabilities classified as held for trading in accordance with FRS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the balance sheet. The Group amended its accounting policy accordingly and analysed whether management's expectation of the period of realisation of financial assets and liabilities differed from the classification of the instrument. This did not result in any re-classification of financial instruments between current and non-current in the balance sheet.

- FRS 16 Property, Plant and Equipment: Replaces the term "net selling price" with "fair value less costs to sell". The Group amended its accounting policy accordingly, which did not result in any change in the financial position.

- FRS 18 Revenue: FRS 18 has been amended to add guidance to determine whether an entity is acting as a principal or an agent. Upon adoption of the amendments to FRS 18, the Group reassessed their business relationships and stated their revenues accordingly to report those revenue on a gross or net basis, depending on whether it was acting as a principal or an agent. This did not result in any re-classification in the income statement.

- FRS 23 Borrowing Costs: The definition of borrowing costs is revised to consolidate the two types of items that are considered components of "borrowing costs" into one – the interest expense calculated using the effective interest rate method calculated in accordance with FRS 39. The Group has amended its accounting policy accordingly which did not result in any change in its financial position.

2. Summary of significant accounting policies (Continued)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 27 Consolidated and Separate Financial Statements	1 July 2009
Amendments to FRS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Item	1 July 2009
Revised FRS 103 Business Combinations	1 July 2009
Amendments to FRS 105 Non-current Assets Held for Sale and Discontinued Operations	1 July 2009
Amendments to FRS 102 – Share-based Payment – Group Cash-settled Share-based Payment Transactions	1 January 2010
Amendments to FRS 32 – Classification of Rights Issues	1 February 2010
INT FRS 119 – Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
Revised FRS 24 – Related Party Disclosures	1 January 2011
Amendments to INT FRS 114 – FRS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction Prepayments of a Minimum Funding Requirement	1 January 2011
INT FRS 117 Distributions of Non-cash Assets to Owners	1 July 2009
Improvements to FRSs issued in 2009:	
– Amendments to FRS 38 Intangible Assets	1 July 2009
– Amendments to FRS 102 Share-based Payment	1 July 2009
– Amendments to FRS 108 Operating Segments	1 July 2009
– Amendments to INT FRS 109 Reassessment of Embedded Derivatives	1 July 2009
– Amendments to INT FRS 116 Hedges of a Net Investment in a Foreign Operation	1 July 2009
– Amendments to FRS 1 Presentation of Financial Statements	1 January 2010
– Amendments to FRS 7 Statement of Cash Flows	1 January 2010
– Amendments to FRS 17 Leases	1 January 2010
– Amendments to FRS 36 Impairment of Assets	1 January 2010
– FRS 39 Financial Instruments: Recognition and Measurement	1 January 2010
– Amendments to FRS 105 Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
– Amendments to FRS 108 Operating Segments	1 January 2010

The directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2. Summary of significant accounting policies (Continued)

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity. Any excess of the cost of business combination over the Group’s share in the net fair value of the acquired subsidiary’s identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the balance sheet. Any excess of the Group’s share in the net fair value of the acquired subsidiary’s identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in the profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are not reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.5 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economics resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economics resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies (Continued)

2.6 Foreign currency

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

The assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the balance sheet date and their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in the profit or loss.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

The cost of aircraft comprises its purchase price and directly attributable costs of bringing the assets to working condition for its intended use and is stated net of manufacturers' credit. Expenditure for heavy maintenance visits on aircraft and engine overhauls is capitalised at cost. Expenditure for engine overhaul costs covered by "power-by-the-hour" arrangements is capitalised by hours flown. Expenditure for other maintenance and repairs is charged to the profit or loss.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Aircraft	–	23 years to residual value
Engineering and office equipment, furniture and fittings	–	3 years
Computer equipment	–	3 years
Motor vehicle	–	5 years

2. Summary of significant accounting policies (Continued)

2.7 Property, plant and equipment (Continued)

Aircraft under construction included in property, plant and equipment are not depreciated as those aircraft are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment in accordance with Note 2.8.

The residual value, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. Any change is adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value. In determining the value in use, the Group uses available market valuation to assess the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses are recognised in the profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2. **Summary of significant accounting policies** (Continued)

2.9 Subsidiaries

(a) *Subsidiaries*

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

(b) *Special purpose entities*

Entities in which the Company holds little or no equity are consolidated as subsidiaries if the Company is assessed to have control over them.

Such control can be demonstrated through predetermination of the entities' activities, exposure to and retention of majority of its residual or ownership risk, and decision-making powers to obtain majority of benefits of the entities.

2.10 Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investment in an associate is accounted for using the equity method. Under the equity method, the investment in associate is measured in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable asset, liabilities and contingent liabilities over the cost of the investment is deducted from the carrying amount of the investment and is recognised as income as part of the Group's share of results of the associate in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each balance sheet date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the profit or loss.

The financial statements of the associate are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2. **Summary of significant accounting policies** (Continued)

2.11 Long-term deposits

Long-term deposits are in relation to operating leases and non-interest bearing.

Long-term deposits are classified and accounted for as loans and receivables under FRS 39. The accounting policy for this category of financial assets is included in Note 2.12. Further details on the accounting policy for impairment of financial assets are included in Note 2.13.

2.12 Financial assets

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in other comprehensive income is recognised in the profit or loss.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(a) Financial assets at fair value through profit or loss

Derivative financial instruments whose fair value is positive are classified as financial assets at fair value through profit or loss. The accounting policy for derivative financial instruments is included in Note 2.24.

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. When loans and receivables are initially recognised, they are measured at fair value plus directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in the profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

2. **Summary of significant accounting policies** (Continued)

2.13 Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the profit or loss.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.15 Trade and other receivables

Trade receivables are generally non-interest bearing and are collectible within one week to 90 days.

Trade and other receivables are recognised at their original invoice amounts or at cost which represents their fair values on initial recognition. These receivables are classified and accounted for as loans and receivables under FRS 39. The accounting policy for this category of financial assets is stated in Note 2.12.

An allowance is made for uncollectible amounts when there is objective evidence that the Group will not be able to collect the debt. Bad debts are written-off to the profit or loss when identified. Further details on the accounting policy for impairment of financial assets are stated in Note 2.13.

2. **Summary of significant accounting policies** (Continued)

2.16 Financial liabilities

Financial liabilities within the scope of FRS 39 are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities, other than derivatives, are recognised initially at fair value plus directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Gains and losses from amortisation, or when the liabilities are derecognised, are recognised in profit or loss.

The accounting policy for derivatives is included in Note 2.24.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

2.17 Trade payables

Trade payables are normally settled on 30-90 days terms, are initially recognised at fair value (consideration to be paid in the future for goods and services received, whether or not billed to the Group) and subsequently measured at amortised cost using the effective interest rate method.

2.18 Borrowing costs

Borrowing costs are recognised in the profit or loss as incurred except to the extent that they are capitalised. Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

2.19 Employee benefits

(a) *Defined contribution plans*

As required by law, the Group makes contribution to defined contribution plans in the countries which they operate in. Such contributions are recognised as an expense in the period in which the related service is performed.

2. Summary of significant accounting policies (Continued)

2.19 Employee benefits (Continued)

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the balance sheet date.

(c) Long service leave

The liability for long service leave is accrued and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(d) Retention payment

The Group provides benefits to employees in the form of retention payments for certain employees after achieving a stipulated length of service. The liability for these payments is recognised in respect of such employees' service up to the reporting date.

(e) Employee share option plans

The employees of the Group are eligible to participate in the Pre-IPO Tiger Aviation Share Options Scheme (the "Scheme"). The Scheme was approved by the Board of Directors of the Company on 24 April 2008.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in the profit or loss, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge to the profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued.

2. Summary of significant accounting policies (Continued)

2.20 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Operating lease – as lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Gains or losses arising from sale and operating leaseback, determined based on differences between cost of assets and fair values, are recognised in the profit or loss. Differences between sale proceeds and fair values are deferred and amortised over the minimum lease terms.

Finance lease – as lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

2.21 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Revenue includes only the gross inflows of economic benefits received and receivable by the Group on its own account. Amounts collected on behalf of third parties such as taxes are not economic benefits which flow to the Group and do not result in increases in equity. Therefore, they are excluded from revenue. Similarly, in an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the Group. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.

2. **Summary of significant accounting policies** (Continued)

2.21 **Revenue** (Continued)

(a) *Passenger seat revenue*

Passenger seat revenue are recognised as operating revenue when the flight is uplifted. The value of unused tickets is included in current liabilities as sales in advance of carriage.

(b) *Ancillary revenue*

Ancillary revenue earned is generated principally from related services from carriage of passenger and commission income from other related services. Ancillary revenue are recognised in the profit or loss in the period the ancillary services are provided.

(c) *Interest income*

Interest income is recognised using the effective interest method.

2.22 **Income taxes**

(a) *Current tax*

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current taxes are recognised in the profit or loss except that tax relating to items recognised outside the profit or loss are recognised either in other comprehensive income or directly in equity.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

– where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. Summary of significant accounting policies (Continued)

2.22 Income taxes (Continued)

(b) Deferred tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

– where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. **Summary of significant accounting policies** (Continued)

2.22 Income taxes (Continued)

(c) *Goods and services tax/sales tax*

Revenues, expenses and assets are recognised net of the amount of goods and services tax/sales tax except:

– Where the goods and services tax/sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax/sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

– Receivables and payables are stated at the amount invoiced which includes goods and services tax/sales tax.

The net amount of goods and services tax/sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.23 Aircraft maintenance and overhaul costs

Aircraft under operating leases

The Group operates several aircraft under operating leases. In accordance with the lease agreements, the Group is legally liable to carry out maintenance of the aircraft over the lease period and to return the aircraft to the lessors under certain stipulated conditions. Provisions are made during the term of such operating leases for the cost of providing major airframe maintenance and certain engine repair and overhaul for such aircraft. Such provisions are made on the basis of estimated future costs of major airframe maintenance, certain engine repair and overhaul and one-off costs incurred at the end of the lease, prior to the return of the aircraft to their lessors.

The Group recognises aircraft maintenance and overhaul costs (except heavy maintenance visits) on an “incurred basis”. For engine overhaul costs covered by “power-by-hour” (fixed rate charged per hour) maintenance agreements, expenses are accrued on the basis of hours flown in accordance with the terms of the relevant agreements. Other maintenance costs contracted with service providers for a fixed monthly sum are recognised on a “time proportionate” basis as the requirement and timing of maintenance is not predictable.

Costs relating to heavy maintenance visit are capitalised and amortised over the shorter of estimated period that the Group will enjoy the benefit of such services and the relevant aircraft lease term.

2. **Summary of significant accounting policies** (Continued)

2.23 Aircraft maintenance and overhaul costs (Continued)

Owned Aircraft

(i) *Power by hour arrangements*

The engine maintenance and overhaul expenditure is covered by power-by-the-hour arrangements, where the Group pays fixed monthly amounts to maintenance companies which take responsibility for all engine maintenance. In this case, management estimates the portion of the monthly payments that relate to engine overhauls and defer these amounts as prepaid expenses until the aircraft undergoes component overhaul and repair.

(ii) *Airframe and component overhaul and repair*

At the date of aircraft delivery, management estimates the cost of the aircraft which relates to airframe and component overhaul and repair, and depreciates this amount over the estimated period to the next heavy maintenance visit or engine overhaul. When the aircraft undergoes an airframe and component overhaul and repair, these prepaid expenses are capitalised as property, plant and equipment and depreciated to the next occurrence of the planned major maintenance activity. Any amounts recognised for the previous airframe and component overhaul and repair would be derecognised at the heavy maintenance visits or overhaul.

2.24 Hedge accounting and derivative financial instruments

The Company uses derivative financial instruments such as foreign currency forward contracts and jet fuel collars to hedge its risks associated with foreign currency and jet fuel price fluctuations. The Company also uses United States dollar borrowings to hedge its risks associated with pre-delivery payments fluctuations which are also denominated in United States dollar.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into, and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of foreign currency forward contracts and jet fuel collars are determined by reference to valuation reports provided by counterparties.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows, and are assessed on an ongoing basis to determine that they have been highly effective throughout the financial reporting periods for which they were designated.

Derivatives are classified as fair value through profit and loss unless they qualify for hedge accounting. Hedges which meet the criteria for hedge accounting are accounted for as cash flow hedges.

2. Summary of significant accounting policies (Continued)

2.24 Hedge accounting and derivative financial instruments (Continued)

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while any ineffective portion is recognised immediately in the profit or loss. Any gains or losses arising from changes in fair value on derivatives and loans that do not qualify for hedge accounting are taken directly to the profit or loss. Net gains or losses on derivatives include exchange differences.

Amounts taken to equity are transferred to the profit or loss when the hedged transaction affects the profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale or purchase occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

2.25 Segment reporting

The Group is in the business of owning and managing airlines. The Directors are of the view that the Group operates in one segment as defined in FRS 108: Segmental Reporting regardless of regulatory requirements for each airline to have individual operational management. The Director's view is based on revenue generated from both are similar in nature, being Passenger Seat Revenue and Ancillary Revenue. Further to that, the Directors noted that the Group's Board, Chief Executive Officer and senior management reviews the profitability and operations of the Group as one business; procure, own or manage aircraft as a central resource (moving aircraft between airlines as required); distribute and sells tickets through one common website and manage cash resources centrally.

2.26 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3. Significant accounting judgements and estimates (Continued)

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

(a) *Determination of functional currency*

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

(b) *Income taxes*

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(c) *Operating lease commitments – as lessee*

The Group has entered into commercial leases on its aircraft. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that the lessor retains all the significant risks and rewards of ownership of these aircraft and so accounts for the contracts as operating leases.

(d) *Impairment*

The Group follows the guidance of FRS 39 and 36 on determining when a financial and non-financial asset is impaired and this requires significant judgement. The Group evaluates, among other factors, the duration and extent to which the fair value of the asset or financial asset is less than its cost; and the financial health of and near-term business outlook for the business operation or financial asset, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

3. **Significant accounting judgements and estimates** (Continued)

3.1 **Judgements made in applying accounting policies** (Continued)

(e) Consolidation of special purpose entities

As part of the Group's financing arrangements with the banks, special purpose entities (SPEs) have been set up to finance the purchase of the aircraft. The rights and benefits of the aircraft rest with the SPEs, with the corresponding bank loans entered into by the SPEs with the bank. The Company does not have equity interest in the SPEs.

The Group has guaranteed the obligations under the loans entered into by the SPEs, entered into aircraft forward purchase agreements with the SPEs or entered into finance lease arrangements with the SPEs. Hence, the Group retains majority of the residual risks related to the SPEs and its assets in order to obtain benefits from the activities of the SPEs. Based on these facts and circumstances, management concluded that the Group controls the SPEs and therefore, consolidates these SPEs in its financial statements.

3.2 **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Depreciation of property, plant and equipment – Aircraft

Aircraft are depreciated on straight-line basis at rates which are calculated to write-down their cost to their estimated residual values at the end of their operational lives. The Group's current estimate of aircraft residual value is approximately 15% of cost. Certain estimates regarding the operational lives and residual values of the aircraft fleet are made by the Group based on past experience and these are in line with the industry. The operational lives and residual values are reviewed on an annual basis. The carrying amount of the Group's aircraft as at 31 March 2010 was $112,000,000 (2009: Nil).

(b) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets as at 31 March 2010 was $16,840,000 (2009: $10,082,000).

3. **Significant accounting judgements and estimates** (Continued)

3.2 **Key sources of estimation uncertainty** (Continued)

(c) *Employee share options*

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 23.

(d) *Provision for return costs for aircraft*

The Group operates several aircraft under operating leases. Under the lease agreements, the Group is legally liable to carry out maintenance of the aircraft over the lease period and to return the aircraft under certain stipulated condition.

The amount required for the maintenance before the return of the aircraft is the best estimate by management based on cost incurred for similar maintenance. The provision for return costs for aircraft as at 31 March 2010 amounted to $8,761,000 (2009: $6,612,000) for the Group.

4. **Staff costs**

	Group	
	2010	**2009**
	$'000	**$'000**
Salaries, bonuses and other costs	**55,718**	45,755
CPF contributions and other defined contributions	**2,462**	2,379
Share-based compensation expense	**294**	190
	58,474	48,324

5. Operating profit/(loss)

	Group 2010 $'000	Group 2009 $'000
This is stated after charging/(crediting):–		
Amortisation of deferred income	**(3,078)**	(2,968)
Operating lease rental	**73,660**	65,316
Rental of premises	**419**	367
Exchange (gain)/loss, net	**(8,336)**	4,138
Non-audit fees for auditors of the Company	**178**	33
Net fair value loss on foreign currency forward contracts	**5,279**	–

6. Expenses relating to initial public offering

	Group 2010 $'000	Group 2009 $'000
Professional fee for auditors of the Company	**371**	–
Other professional fees	**1,346**	–
Advertising and printing expenses	**245**	–
Post initial public offering employee incentive	**4,968**	–
Others	**1,360**	–
	8,290	–

7. Finance income, net

	Group 2010 $'000	Group 2009 $'000
Interest income on loans and receivables	**(1,021)**	(706)
Interest expenses on bank loans	**3,884**	2,228
Less: Interest capitalised in property, plant and equipment	**(3,525)**	(2,195)
	359	33
Add: Bank charges	**423**	307
	782	340
Finance income, net	**(239)**	(366)

8. Taxation

The major components of income tax (credit)/expense for the years ended 31 March are:

	Group 2010 $'000	Group 2009 $'000
Income statement		
Current tax		
Foreign tax	**1,114**	174
Current statutory tax	**90**	172
Under provision in respect of prior year	**–**	119
	1,204	465
Deferred tax		
Benefits from previously unrecognised tax losses	**(12,773)**	–
Origination and reversal of temporary differences	**3,289**	1,853
Effect of change in statutory tax rate	**–**	555
Under provision in respect of prior year	**–**	278
	(9,484)	2,686
Income tax (credit)/expense recognised in the income statement	**(8,280)**	3,151

	Group 2010 $'000	Group 2009 $'000
Statement of comprehensive income:		
Deferred tax debit/(credit) to other comprehensive income:		
– Net fair value changes on cash flow hedges	**2,929**	(3,612)

The reconciliation between income tax (credit)/expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the years ended 31 March 2010 and 2009 are as follows:

	2010	2009
Profit/(loss) before taxation	**19,974**	(47,677)
Taxation at statutory tax rate of 17% (2009: 17%)	**3,396**	(8,105)
Adjustments:		
Non-deductible expenses	**1,329**	5,197
Income not subject to taxation	**(1,318)**	(941)
Effect of tax partial exemption	**(26)**	(26)
Effect of different tax rates in other countries	**(68)**	(7,534)
Benefits from previously unrecognised tax losses	**(12,773)**	–
Under provision in respect of previous year	**–**	397
Effect of change in statutory tax rate	**–**	555
Foreign tax	**1,114**	174
Deferred tax assets not recognised	**–**	13,439
Others	**66**	(5)
Income tax (credit)/expense recognised in the income statement	**(8,280)**	3,151

9. Earnings/(loss) per share

Effective 14 December 2009, each of the Company's ordinary shares was sub-divided into 15 ordinary shares ("Share Split").

Basic earnings per share amounts are calculated by dividing profit for the year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year after adjusting for the Share Split.

Diluted earnings per share amounts are calculated by dividing profit for the year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares after adjusting for the Share Split.

The following table reflects the profit/(loss) and share data used in the computation of basic and diluted earnings per share for the years ended 31 March:

	Group	
	2010	**2009**
	$'000	**$'000**
Profit/(loss) for the year attributable to shareholders of the Company	**28,254**	(50,828)
	No. of shares '000	**No. of shares '000**
Weighted average number of ordinary shares for basic earnings/(loss) per share computation	**406,309**	365,325
Effects of dilution		
– Employee share options	**23,692**	–
Weighted average number of ordinary shares for diluted earnings/(loss) per share computation	**430,001**	365,325

In the previous financial year 2009, 27,427,000 of the share options granted to employees under the existing employee share option plans have not been included in the calculation of diluted earnings per share because they are anti-dilutive.

Since the end of the financial year, employees have exercised the options to acquire 3,139,000 ordinary shares. There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before completion of these financial statements.

10. Property, plant and equipment

	Aircraft $'000	Aircraft under construction $'000	Engineering and office equipment, furniture and fittings $'000	Computer equipment $'000	Motor vehicle $'000	Total $'000
Group						
Cost						
At 1 April 2008	–	86,014	136	308	25	86,483
Additions	–	78,309	84	64	–	78,457
Disposals	–	(39,806)	(19)	(4)	–	(39,829)
At 31 March 2009 and 1 April 2009	–	124,517	201	368	25	125,111
Additions	–	239,414	1	2	–	239,417
Disposals	–	(43,101)	–	–	–	(43,101)
Transfer	112,193	(112,193)	–	–	–	–
At 31 March 2010	**112,193**	**208,637**	**202**	**370**	**25**	**321,427**
Accumulated depreciation						
At 1 April 2008	–	–	66	260	18	344
Depreciation charge for the year	–	–	67	55	5	127
Disposals	–	–	–	(2)	–	(2)
At 31 March 2009 and 1 April 2009	–	–	133	313	23	469
Depreciation charge for the year	518	–	40	24	2	584
At 31 March 2010	**518**	**–**	**173**	**337**	**25**	**1,053**
Net book value						
At 31 March 2010	**111,675**	**208,637**	**29**	**33**	**–**	**320,374**
At 31 March 2009	–	124,517	68	55	2	124,642

10. Property, plant and equipment (Continued)

	Aircraft under construction $'000	Engineering and office equipment, furniture and fittings $'000	Computer equipment $'000	Total $'000
Company				
Cost				
At 1 April 2008	39,547	48	153	39,748
Additions	21,893	66	65	22,024
Disposals	–	–	(4)	(4)
At 31 March 2009 and 1 April 2009	61,440	114	214	61,768
Additions	116,381	–	1	116,382
At 31 March 2010	**177,821**	**114**	**215**	**178,150**
Accumulated depreciation				
At 1 April 2008	–	25	142	167
Depreciation charge for financial year	–	52	17	69
Transfer from inter-company	–	1	–	1
Disposals	–	–	(1)	(1)
At 31 March 2009 and 1 April 2009	–	78	158	236
Depreciation charge for financial year	–	24	24	48
At 31 March 2010	**–**	**102**	**182**	**284**
Net book value				
At 31 March 2010	**177,821**	**12**	**33**	**177,866**
At 31 March 2009	61,440	36	56	61,532

Assets under construction

As at the end of the previous financial year, there were 2 aircraft under construction, which were under sale and leaseback arrangements. These aircraft were sold and leaseback during the current financial year.

Capitalisation of borrowing costs

The Group has obtained financing in respect of the Pre-Delivery Payment ("PDP") obligations to the aircraft manufacturer.

Aircraft under construction includes borrowing costs incurred in connection with the financing of the PDP obligations to the aircraft manufacturer. During the financial year, the borrowing costs capitalised in aircraft under construction amounted to $3,496,000 (2009: $2,108,000) and $3,201,000 (2009: $615,000) for the Group and Company respectively.

Assets pledged as security

The Group's aircraft under construction are pledged as security for the related PDP financing obtained from banks (Note 19).

11. Investment in subsidiaries

	Company 2010 $'000	Company 2009 $'000
Shares, at cost	**24,355**	24,355

Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest 2010	Proportion (%) of ownership interest 2009
Held by the Company				
* Tiger Airways Singapore Pte. Ltd. (formerly known as Tiger Airways Pte. Ltd.)	Singapore	Air transportation	**100**	100
^ Tiger Airways Australia Pty Limited	Australia	Air transportation	**100**	100

* Audited by Ernst & Young LLP, Singapore
^ Audited by Ernst & Young, Australia, a member firm of Ernst & Young Global

Details of the operating special purpose entities controlled and consolidated by the Group at end of financial year are as follows:

Name of entity	Purpose of special purpose entity	Country of incorporation
Felidae Aircraft Limited	Financing of aircraft	Cayman Islands
Winnie Aircraft Limited	Financing of aircraft	Mauritius

Although the Group does not hold shares in these companies, they are considered as subsidiary companies as the activities of the SPE are being conducted on behalf of the Group according to its specific business needs and that the Company retains the majority of the residual or ownership risks related to these companies on their assets.

12. Deferred tax assets

Deferred tax assets as at 31 March relates to the following:

	Group			
	Balance sheet		Income statement	
	2010	2009	2010	2009
	$'000	$'000	$'000	$'000
Unutilised capital allowances and tax losses	**16,065**	6,454	**9,409**	(3,546)
Provisions	**935**	860	**75**	860
Revaluation of fuel hedging contracts to fair value	**(159)**	2,337	**–**	–
Revaluation of bank loans	**–**	431	**–**	–
Revaluation of foreign currency forward contract to fair value	**(1)**	–	**–**	–
Total	**16,840**	10,082	**9,484**	(2,686)

At the balance sheet date, the Group has tax losses of approximately $44,268,000 (2009: $65,727,000), that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

13. Other receivables

	Group		Company	
	2010	2009	2010	2009
	$'000	$'000	$'000	$'000
Non-current assets				
Long-term deposits	**6,496**	7,010	**–**	–
Maintenance reserve advance payment	**9,558**	6,122	**–**	–
	16,054	13,132	**–**	–
Current assets				
Sundry deposits	**2,201**	10,062	**–**	–
Sundry receivables	**17,280**	8,424	**1,186**	315
	19,481	18,486	**1,186**	315

Long-term deposits are in respect of operating leases of aircraft.

The Group has unsecured receivables amounting to $1,523,000 (2009: Nil) that are more than 120 days past due at the balance sheet date but not impaired. There are no receivables that are impaired. Receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group.

14. Amount due from a subsidiary

Amount due from a subsidiary is unsecured, non-interest bearing, repayable upon demand and expected to be settled in cash.

15. Derivative financial instruments

	Note	Group 2010 Assets $'000	Group 2010 Liabilities $'000	Group 2009 Assets $'000	Group 2009 Liabilities $'000
Jet fuel collars	(a)	1,578	(6)	–	(25,770)
Foreign currency forward contracts	(b)	24	(2,709)	–	–
		1,602	(2,715)	–	(25,770)

(a) Jet fuel collars

The jet fuel collars are being used to hedge the financial risk related to the price of fuel. As at 31 March 2010, the notional quantity of the Group's outstanding jet fuel collars was 310,000 US barrels (2009: 219,000 US barrels) with maturity dates of not more than one year.

The cash flow hedges of the expected future jet fuel purchases in the next 12 months were assessed to be highly effective and as at 31 March 2010, a net unrealised gain of $1,572,000 (2009: net unrealised loss of $25,770,000) with a related deferred tax exposure of $159,000 (2009: deferred tax benefit of $2,337,000), was included in equity in respect of these contracts.

(b) Foreign currency forward contracts

Foreign currency forward contracts are contracts to buy or sell fixed amounts of currencies at agreed exchange rates for settlement on agreed future dates. As at 31 March 2010, the notional amount of the Group's outstanding foreign currency forward contracts was US$35.3 million (2009: Nil) with tenures of not more than one year.

The cash flow hedges of foreign currency hedge are highly effective and as at 31 March 2010, a net unrealised loss of $2,685,000 (2009: Nil) was included in equity in respect of these contracts, with a related deferred tax exposure of $1,000 (2009: Nil) was included in equity in respect of these contracts.

notes to the financial statements

31 March 2010

16. Cash and cash equivalents

	Group		Company	
	2010	2009	2010	2009
	$'000	$'000	$'000	$'000
Cash at banks and on hand	**41,051**	8,315	**21,262**	471
Short-term deposits	**165,687**	4,900	**159,200**	–
	206,738	13,215	**180,462**	471

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates ranging from 0.04% to 3.78% (2009: 0.2% to 7.09%).

17. Trade payables

	Group	
	2010	2009
	$'000	$'000
Trade payables	**41,483**	25,073
Unbilled trade payables	**66,630**	47,584
	108,113	72,657

Unbilled trade payables relate to maintenance services, airport related charges and fuel received or used but not yet invoiced by suppliers and airport authorities.

18. Amount due to subsidiaries

Amount due to subsidiaries are unsecured, non-interest bearing, repayable upon demand and expected to be settled in cash.

19. Bank loans

		Group	
	Maturity	2010	2009
		$'000	$'000
Current:			
Bank loans			
– Secured	2011	**89,620**	61,250
– Unsecured	2011	**20,000**	39,900
		109,620	101,150
Non-current:			
Bank loans – secured	2012 – 2022	**101,923**	–

19. Bank loans (Continued)

Secured bank loans

The secured bank loans bear interest which ranges from 0.84% to 4.93% (2009: 1% to 3.49%) per annum.

As part of the Group's aircraft financing arrangement with the banks, the following special purpose entities ("SPE") (Note 11) were incorporated during the current financial year:

(a) Pre-Delivery Payment ("PDP") financing via a Special Purpose Entity ("SPE") – Felidae Aircraft Limited ("Felidae")

The Group entered into PDP financing arrangements with a bank to finance PDPs in respect of the PDP obligations to aircraft manufacturer on 11 (2009: Nil) aircraft.

The rights and obligations under the aircraft purchase agreement relating to the 11 aircraft have been novated from the Company to Felidae. The secured bank loans relating to the PDP financing arrangement with the bank were entered into by Felidae.

To fund Felidae's obligations and to secure the Company's interest, Felidae and the Company entered into a Forward Purchase Agreement ("FPA") where the Company has agreed to purchase each of the 11 aircraft upon their applicable delivery dates and the purchase price is defined as the remainder of any amount payable to the manufacturer and the outstanding loan obligations.

The loans are secured via assignment of the aircraft purchase agreement and assignment of the engine warranty and credit agreement to the bank. In addition, the bank takes an assignment of Felidae's rights under the FPA and the Company guarantees the obligations of Felidae.

(b) ECA financing via a Special Purpose Entity ("SPE") – Winnie Aircraft Limited ("Winnie")

ECA aircraft financing is in the form of credit support, where a bank or other financial institution lends money to the borrower with the loan guaranteed by the European Export Credit Agencies ("ECA").

The Group entered into ECA financing arrangements with a bank to finance the 2 aircraft delivered during the financial year. Pursuant to the ECA financing, the legal ownership of the aircraft is vested in Winnie and Tiger Airways Singapore Pte. Ltd. leased the aircraft pursuant to a finance lease from Winnie. Tiger Airways Singapore Pte. Ltd. has a purchase option to acquire legal ownership of the aircraft from Winnie at the end of the lease term at a bargain purchase option price.

Unsecured bank loans

The unsecured bank loans bear interest at 1.97% to 4.1% (2009: 2.20% to 4.01%) per annum and are subject to annual review by the banks.

20. Deferred income

Deferred income arose from gains on disposal of aircraft under sale and leaseback arrangements which will be amortised over the lease period.

21. Provisions

	Group 2010 $'000	Group 2009 $'000
Provision for return costs for aircraft		
At 1 April	**6,612**	2,574
Provision during the year	**3,089**	4,038
Provision utilised during the year	**(940)**	–
At 31 March	**8,761**	6,612
Current	**1,764**	2,595
Non-current	**6,997**	4,017
	8,761	6,612

Provisions relate to provision for return costs for aircraft under operating lease. It is expected that these return costs will be incurred by the end of the lease terms.

22. Amount due to a subsidiary (non-current)

This amount due to a subsidiary is owed to a special purpose entity – Felidae Aircraft Limited (Note 11). The amount due to a subsidiary bears interest of 2.79% to 4.93% per annum and is unsecured. The amount due to a subsidiary is denominated in United States dollars (USD).

23. Share capital

	Group and Company			
	2010		2009	
	No. of shares '000	$'000	No. of shares '000	$'000
At 1 April	**24,355**	**24,355**	24,355	24,355
Share spilt of ordinary shares (1:15)	**365,325**	**24,355**	–	–
Issuance of IPO shares	**155,556**	**233,334**	–	–
Share issuance expense	**–**	**(9,307)**	–	–
Exercise of employee share options	**9,653**	**1,111**	–	–
At 31 March	**530,534**	**249,493**	24,355	24,355

23. Share capital (Continued)

Effective 14 December 2009, each of the Company's ordinary shares was sub-divided into 15 ordinary shares ("Share Split").

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

Share Option Scheme

The Pre-IPO Tiger Aviation Share Options Scheme (the "Scheme") was approved by the Board of Directors 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., approved by its Board of Directors on 7 December 2004. All options granted by Tiger Airways Singapore Pte. Ltd. were replaced by options of the Scheme. The grant date is deemed to be the same as those options granted by Tiger Airways Singapore Pte. Ltd.. Following the Share Split on 14 December 2009, all options were also sub-divided into 15 options each.

The exercise price of the option is determined by the Remuneration Committee (previously known as the Compensation Committee) and reflects the fair value of the share as at the date of grant. Details of all the options to subscribe for ordinary shares of the Company pursuant to the Scheme as at 31 March 2010 are as follows:

Expiry date	Exercise price (S$)	Number of options '000
Between 1 April 2010 and 31 March 2011	0.10	135
	0.13	98
Between 1 April 2014 and 31 March 2015	0.08	5,530
	0.13	270
Between 1 April 2015 and 31 March 2016	0.08	232
	0.10	132
Between 1 April 2016 and 31 March 2017	0.10	199
Between 1 April 2017 and 31 March 2018	0.10	232
	0.13	4,692
Between 1 April 2018 and 31 March 2019	0.13	3,774
Between 1 April 2019 and 31 March 2020	0.13	337
	0.26	2,323
Total		17,954

Under the Scheme, options will vest:

(i) one year from the date of grant for one third of the allocated share options;
(ii) two years from the date of grant for additional one third of the allocated share options; and
(iii) three years from the date of grant for remaining one third of the allocated share options.

23. Share capital (Continued)

The contractual life of each option granted is 10 years. There are no cash settlement alternatives.

The Scheme has 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.

The total number of options granted under the Scheme (which are exercisable after the Company's initial public offering) is 28,245,300.

Movement of share options during the financial year

Information with respect of the number and weighted average exercise prices (WAEP) of, and movements in, equity share options during the year are as follows:

	2010		2009	
	No. '000	**WAEP ($)**	**No. '000**	**WAEP ($)**
Outstanding at beginning of year	**1,828**	**1.69**	1,717	1.59
Sub-division of options (1:15)	**27,427**	**0.11**	1,717	–
Granted during the year	**2,930**	**0.24**	372	2.00
Cancelled during the year	**(2,750)**	**0.14**	(261)	1.49
Exercised during the year	**(9,653)**	**0.11**	–	–
Outstanding at end of year	**17,954**	**0.13**	1,828	1.69
Exercisable at end of year	**10,387**	**0.10**	1,007	1.46

– The weighted average fair value of options granted during the financial year was $0.36 (2009: $*)
– The weighted average share price at the date of exercise of the option exercised during the financial year was $1.47 (2009: NA)
– The range of exercise prices for options outstanding at the end of the year was $0.08 to $0.26 (2009: $1.25 to $2.00, prior to the sub-division of the options). The weighted average remaining contractual life for these options is 7.4 years (2009: 8.1 years).

NA Not applicable.

* Amount less than $0.01

23. Share capital (Continued)

Fair value of share options granted

The fair value of equity share options as at the date of grant is estimated by the Company using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The inputs to the model used for the years ended 31 March 2010 and 2009 are shown below.

	2010	2009
Dividend yield (%)	–	–
Expected volatility (%)	28	27
Risk-free interest rate (%)	1.34	1.92
Expected life of options (years)	6	6
Weighed average share price ($)	1.57	NA

The expected life of the options is based on mid-point basis. The expected volatility reflects the assumption that the historical volatility of market comparable is reflective of future trends, which may not necessarily be the actual outcome. No other feature of the option grant was incorporated into the measurement of fair value.

NA Not applicable.

24. Other reserves

	Group		Company	
	2010 $'000	2009 $'000	2010 $'000	2009 $'000
Foreign currency translation reserve	(8,786)	9,809	–	–
Employee share option reserve	573	384	573	350
Fair value reserve	(1,273)	(25,535)	–	–
	(9,486)	(15,342)	573	350

24. Other reserves (Continued)

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

	Group		Company	
	2010	2009	2010	2009
	$'000	$'000	$'000	$'000
At 1 April	**9,809**	216	**–**	–
Net effect of exchange differences arising from translation of financial statements of foreign operations	**(18,595)**	9,593	**–**	–
At 31 March	**(8,786)**	9,809	**–**	–

(b) Employee share option reserve

Employee share option reserve represents the equity-settled share options granted to employees (Note 23). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

	Group		Company	
	2010	2009	2010	2009
	$'000	$'000	$'000	$'000
At 1 April	**384**	194	**350**	160
Share-based compensation expense	**294**	190	**294**	190
Share options exercised	**(105)**	–	**(105)**	–
Employee share option reserve transferred from subsidiary	**–**	–	**34**	–
At 31 March	**573**	384	**573**	350

24. Other reserves (Continued)

(c) Fair value reserve

Fair value reserve records the portion of the fair value changes in derivatives that are designated as hedging instruments in cash flow hedges that is determined to be effective.

	Group		Company	
	2010	2009	2010	2009
	$'000	$'000	$'000	$'000
At 1 April	(25,535)	4,263	–	–
Net gain/(loss) on:				
– Fair value changes of derivatives	(2,880)	(45,000)	–	–
– Revaluation of bank loans	–	(1,308)	–	–
Recognised in the income statement on occurrence of:				
– Fuel hedging contracts	19,759	17,305	–	–
– Bank loans	2,103	(795)	–	–
– Foreign currency forward contracts	5,280	–	–	–
At 31 March	(1,273)	(25,535)	–	–

25. Commitments

(a) Capital commitments

Capital expenditure contracted for as at the balance sheet date but not recognised in the financial statements are as follows:

	Group		Company	
	2010	2009	2010	2009
	$'000	$'000	$'000	$'000
Capital commitments in respect of aircraft fleet and related equipment	2,925,000	3,515,000	2,847,000	3,212,000

25. Commitments (Continued)

(b) Operating lease commitments as lessee

The Group has 15 (2009: 14) A320-200 aircraft, 2 (2009: 2) A319 aircraft and 3 (2009: 2) spare engine under operating leases. The original lease terms for three (2009: four) of the aircraft were 5 years and they were extended by another 12 months following expiry of their original lease terms during the financial year. The lease agreement for one of the aircraft was extended for a further 18 months subsequent to the financial year end. The original lease terms on the remaining aircraft is for 12 years. None of the operating lease agreements confer on the Group an option to purchase the related aircraft. Sub-leasing is allowed under all the lease arrangements, subject to certain terms and conditions stated in the agreements.

Future lease payments under non-cancellable operating leases at the balance sheet date are as follows:

	Group	
	2010	**2009**
	$'000	**$'000**
Aircraft		
Not later than one year	**68,383**	72,153
Later than one year but not later than five years	**238,345**	243,213
Later than five years	**286,996**	338,226
	593,724	653,592

26. Related party disclosures

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the year on terms agreed between the parties:

	Group	
	2010	**2009**
	$'000	**$'000**
Payment for services rendered by a significant shareholder and its subsidiaries	**27,728**	23,282
Sale of spares to a significant shareholder's subsidiary	**1,523**	–

26. Related party disclosures (Continued)

(b) Compensation of key management personnel

	Group	
	2010	**2009**
	$'000	**$'000**
Short-term employee benefits	**6,360**	6,495
CPF contributions and other defined contributions	**283**	208
Other short-term benefits	**162**	86
Share-based compensation expense	**281**	128
	7,086	6,917
Comprise amounts paid to:		
Directors of the Company	**974**	2,103
Other key management personnel	**6,112**	4,814
	7,086	6,917

Key executives' interests in an employee share option plan

At 31 March 2010, key management personnel held options to purchase ordinary shares of the Company under the Share Option Scheme (Note 23) as follows:

Exercise period	**Exercise price ($)**	**Quantity ('000)**
Between 1 April 2010 and 31 March 2011	0.10	135
	0.13	98
Between 1 April 2005 and 31 March 2015	0.08	5,530
	0.13	135
Between 1 April 2006 and 31 March 2016	0.08	232
	0.10	132
Between 1 April 2007 and 31 March 2017	0.10	154
Between 1 April 2008 and 31 March 2018	0.10	232
	0.13	4,555
Between 1 April 2009 and 31 March 2019	0.13	3,347
Between 1 April 2010 and 31 March 2020	0.13	135
	0.26	2,121
		16,806

26. Related party disclosures (Continued)

During the financial year, no share option was granted to directors. The directors exercised options for 1,948,410 ordinary shares of the Company at an average price of $0.12 each with a total cash consideration of $235,433 paid to the Company.

During the financial year ended 31 March 2010, 2,255,895 (2009: 327,626, prior to the sub-division of the options) options were granted to the abovementioned other key management personnel at an exercise price from $0.13 to $0.26 each, exercisable between 1 April 2010 and 31 March 2020. Other key management personnel exercised options for 7,704,970 ordinary shares of the Company at an average price of $0.10 each with a total cash consideration of $791,567 paid to the Company.

Details of the options to subscribe for ordinary shares of the Company granted to directors and key management personnel of the Company who received 5% or more of the total options available under the Scheme (Note 23) are as follows:

Name of participant	Options granted during the financial year [1]	Aggregate options granted since commencement of the Scheme to end of financial year [1]	Aggregate options exercised since commencement of the Scheme to end of financial year [1]	Lapsed Or Cancelled [1]	Aggregate options outstanding as at end of financial year [1]
Anthony Alfred Peter Davis	–	9,863,775	1,948,410	2,009,295[2]	5,906,070
Chin Sak Hin	–	1,643,970	–	–	1,643,970
Christopher John Ward	–	2,233,065	2,050,410	–	182,655
Rosalynn Tay Ee Heah	–	2,191,965	1,643,970	–	547,995
Stephen John Burns	–	1,643,970	–	–	1,643,970
Shelley Roberts	–	1,643,970	547,995	547,980	547,995
Total	–	19,220,715	6,190,785	2,557,275	10,472,655

No participants other than those mentioned above have received 5% or more of the total options available under the Scheme.

(1) A sub-division of each of the ordinary shares of the Company into 15 ordinary shares was completed on 14 December 2009 ("Share Split"). These options were granted before the Share Split and the information in this table has been adjusted to give effect to the Share Split.

(2) Anthony Alfred Peter Davis had options over 2,009,295 shares cancelled in financial year 2009 and was compensated for the cancellation.

27. Financial risk management objectives and policies

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, jet fuel risk, liquidity risk, interest rate risk and credit risk. Management reviews and agrees policies on procedures for the management of these risks.

As derivatives are used for the purpose of risk management, they do not expose the Group to market risk because gains and losses on the derivatives offset losses and gains on the matching asset, liability, revenues or costs being hedged.

Foreign currency risk

The Group is exposed to the effects of foreign exchange rate fluctuations because of its foreign currency denominated revenues and expenses. The Group's largest exposure is from United States Dollars. For the financial year ended 31 March 2010, these accounted for approximately 7% (2009: 8%) of total revenue and 59% (2009: 70%) of total operating expenses.

The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency.

The Group also uses foreign currency forward contract to hedge a portion of its future foreign exchange exposure. Such contracts provide for the Group to sell currencies at predetermined forward rates, buying USD depending on forecast requirements with settlement dates that may range from one month up to one year.

The Group uses foreign currency forward contracts to manage the USD currency exposures. The foreign currency forward contracts are of the same currency as the hedged item. At 31 March 2010, the Group had hedged 10% (2009: Nil) of their forecast USD exposure against SGD until September 2010 and 37% (2009: Nil) of their forecast USD exposure against AUD until March 2011.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		Profit net of tax	
		2010	**2009**
		$'000	**$'000**
USD	– strengthened 1% (2009: 1%)	**(887)**	(738)
	– weakened 1% (2009: 1%)	**887**	738

27. Financial risk management objectives and policies (Continued)

Jet fuel price risk

The Group's earnings are affected by changes in the price of jet fuel.

The Group's strategy for managing the risk on fuel price aims to provide the Group with protection against sudden and significant increase in jet fuel prices. In meeting these objectives, the fuel risk management programme allows for the prudent use of approved instruments such as jet fuel collars with approved counterparties and within approved credit limits.

The Group manages this fuel price risk by using jet fuel collars and hedging up to 15 months forward. A change in price of US$1.00 per barrel of jet fuel affects the Group's annual fuel costs by approximately $2,132,000 (2009: $1,921,000), assuming no change in volume of fuel consumed.

Liquidity risk

As at 31 March 2010, the Group had at its disposal cash and bank balances amounting to $206,738,000 (2009: $13,215,000). The Group has obtained financing in respect of the pre-delivery payment obligations to the aircraft manufacturer. Further to that, the Group is able to generate adequate cash flows in the foreseeable future to enable it to meet its financial obligations as and when they fall due.

The table below summarises the maturity profile of the Group's financial liabilities at the balance sheet date based on contractual undiscounted payments.

Group	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
2010				
Financial liabilities				
Trade payables	**108,113**	**–**	**–**	**108,113**
Other payables	**4,516**	**–**	**–**	**4,516**
Bank loans	**119,410**	**137,848**	**61,330**	**318,588**
Derivative financial instruments	**2,715**	**–**	**–**	**2,715**
Total undiscounted financial liabilities	**234,754**	**137,848**	**61,330**	**433,932**

27. **Financial risk management objectives and policies** (Continued)

Group	**1 year or less $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2009				
Financial liabilities				
Trade payables	72,657	–	–	72,657
Other payables	4,418	–	–	4,418
Bank loans	101,785	–	–	101,785
Derivative financial instruments	25,770	–	–	25,770
Total undiscounted financial liabilities	204,630	–	–	204,630

Company	**1 year or less $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2010				
Financial liabilities				
Other payables	**2,822**	**–**	**–**	**2,822**
Amount due to subsidiaries	**147,450**	**21,711**	**–**	**169,161**
Total undiscounted financial liabilities	**150,272**	**21,711**	**–**	**171,983**

Company	**1 year or less $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2009				
Financial liabilities				
Other payables	1,897	–	–	1,897
Amount due to subsidiaries	93,181	–	–	93,181
Total undiscounted financial liabilities	95,078	–	–	95,078

Interest rate risk

The Group's interest rate risk arises from the following:

(i) changes in market interest rates affect the interest income or finance charges of variable interest financial instruments

(ii) changes in market interest rates affect aircraft rental expenses

27. Financial risk management objectives and policies (Continued)

Interest rate risk (Continued)

The table below demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Group's profit net of tax and equity.

	Effect on profit net of tax $'000	Effect on equity $'000
2010		
– Effect of increase in 1 basis point	**(49)**	**(49)**
– Effect of decrease in 1 basis point	**49**	**49**
2009		
– Effect of increase in 1 basis point	(41)	(52)
– Effect of decrease in 1 basis point	41	52

Information relating to the Group's interest rate exposure is also disclosed in Note 19.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from other receivables. For other financial assets, the Group minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties.

Exposure to credit risk

At the balance sheet date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets, including derivatives with positive fair values.

28. Fair value of financial instruments

The fair value of a financial instrument is the amount of which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Set out below is a comparison by category of carrying amounts of all the Company's financial instruments that are carried in the financial statements:

Classification of financial instruments

	Financial assets at fair value through profit and loss (Note 28a) $'000	Loans and receivables (Note 28b) $'000	Non-financial assets $'000	Total $'000
2010				
Group				
Assets				
Property, plant and equipment	–	–	320,374	320,374
Deferred tax assets	–	–	16,840	16,840
Other receivables	–	25,977	9,558	35,535
Trade receivables	–	1,506	–	1,506
Prepayments	–	–	4,593	4,593
Derivative financial instruments	1,602	–	–	1,602
Cash and cash equivalents	–	206,738	–	206,738
	1,602	234,221	351,365	587,188

28. **Fair value of financial instruments** (Continued)

Classification of financial instruments (Continued)

	Financial liabilities at fair value through profit and loss (Note 28a) $'000	Financial liabilities at amortised cost (Note 28b) $'000	Non-financial liabilities $'000	Total $'000
2010				
Group				
Liabilities				
Trade payables	–	108,113	–	108,113
Sales in advance of carriage	–	–	73,788	73,788
Other payables	–	4,516	–	4,516
Bank loans	–	211,543	–	211,543
Deferred income	–	–	26,114	26,114
Provisions	–	–	8,761	8,761
Derivative financial instruments	2,715	–	–	2,715
Provision for taxation	–	–	1,897	1,897
	2,715	324,172	110,560	437,447

	Loans and receivables (Note 28b) $'000	Non-financial assets $'000	Total $'000
2009			
Group			
Assets			
Property, plant and equipment	–	124,642	124,642
Deferred tax assets	–	10,082	10,082
Other receivables	25,496	6,122	31,618
Trade receivables	1,338	–	1,338
Prepayments	–	6,234	6,234
Cash and cash equivalents	13,215	–	13,215
	40,049	147,080	187,129

28. Fair value of financial instruments (Continued)

Classification of financial instruments (Continued)

	Financial liabilities at fair value through profit and loss (Note 28a) $'000	Financial liabilities at amortised cost (Note 28b) $'000	Non-financial liabilities $'000	Total $'000
2009				
Group				
Liabilities				
Trade payables	–	72,657	–	72,657
Sales in advance of carriage	–	–	55,964	55,964
Other payables	–	4,418	–	4,418
Bank loans	–	101,150	–	101,150
Deferred income	–	–	29,290	29,290
Provisions	–	–	6,612	6,612
Derivative financial instruments	25,770	–	–	25,770
Provision for taxation	–	–	775	775
	25,770	178,225	92,641	296,636

	Loans and receivables (Note 28b) $'000	Non-financial assets $'000	Total $'000
2010			
Company			
Assets			
Property, plant and equipment	**–**	**177,866**	**177,866**
Investment in subsidiaries	**–**	**24,355**	**24,355**
Amount due from a subsidiary	**33,635**	**–**	**33,635**
Other receivables	**1,186**	**–**	**1,186**
Prepayments	**–**	**169**	**169**
Cash and cash equivalents	**180,462**	**–**	**180,462**
	215,283	**202,390**	**417,673**

28. Fair value of financial instruments (Continued)

Classification of financial instruments (Continued)

	Financial liabilities at amortised cost (Note 28b) $'000	Non-financial liabilities $'000	Total $'000
2010			
Company			
Liabilities			
Amount due to a subsidiary	**168,421**	**–**	**168,421**
Other payables	**2,822**	**–**	**2,822**
Deferred income	**–**	**104**	**104**
Provision for taxation	**–**	**208**	**208**
	171,243	**312**	**171,555**

	Loans and receivables (Note 28b) $'000	Non-financial assets $'000	Total $'000
2009			
Company			
Assets			
Property, plant and equipment	–	61,532	61,532
Investment in subsidiaries	–	24,355	24,355
Amount due from a subsidiary	30,299	–	30,299
Other receivables	315	–	315
Prepayments	–	124	124
Cash and cash equivalents	471	–	471
	31,085	86,011	117,096

28. Fair value of financial instruments (Continued)

Classification of financial instruments (Continued)

	Financial liabilities at amortised cost (Note 28b) $'000	Non-financial liabilities $'000	Total $'000
2009			
Company			
Liabilities			
Amount due to a subsidiary	93,181	–	93,181
Other payables	1,897	–	1,897
Provision for taxation	–	200	200
	95,078	200	95,278

(a) Fair values of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Group	Significant other observable inputs (Level 2) $'000
Financial assets:	
Derivatives	
– Jet fuel collars	1,578
– Foreign currency forward contracts	24
At 31 March 2010	1,602
Financial liabilities:	
Derivatives	
– Jet fuel collars	6
– Foreign currency forward contracts	2,709
At 31 March 2010	2,715

28. Fair value of financial instruments (Continued)

Classification of financial instruments (Continued)

(a) *Fair values of financial instruments that are carried at fair value* (Continued)

Fair value hierarchy

The Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There are no financial instruments classified under level 1 or level 3 of the fair value hierarchy.

Determination of fair value

The fair value of foreign currency forward contracts is determined by reference to current forward prices for contracts with similar maturity profiles, based on reference to valuation reports provided by counterparties. The fair values of jet fuel collars are determined by reference to available market information and are the mark-to-market values of these contracts, based on reference to valuation reports provided by counterparties.

(b) *Fair values of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value*

Cash and bank balances, trade and other receivables, amount due from/(to) subsidiaries, trade and other payables and bank loans (Note 19).

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the balance sheet date.

29. Capital management

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions, availability of source of capital, terms and conditions negotiated with capital providers and the cost of capital required by the capital providers. In order to maintain or adjust the capital structure, the Group may issue new shares, obtain new debts or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 March 2010 and 31 March 2009.

The Group is not subject to any external imposed capital requirements.

30. Segmental analysis

All revenues are derived from the Group's principal activity and business segment of airline and aircraft management. Revenue and assets are analysed by geographical area (by country of origin) as follows:

	Group	
	2010	2009
	$'000	$'000
Revenue		
Asia	**278,218**	268,002
Australia	**207,958**	110,041
Total revenue	**486,176**	378,043
Property, plant and equipment		
Asia	**320,360**	124,616
Australia	**14**	26
Total property, plant and equipment	**320,374**	124,642

31. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

	Group 2009	
	As Re-stated $'000	As previously reported $'000
Balance Sheet		
Current liabilities		
Trade payables	72,657	73,231
Provision for taxation	775	201

32. Events occurring after the balance sheet date

Swissport Singapore Pte Ltd ("Swissport") had in January 2009 provided Tiger Airways Singapore Pte. Ltd. ("Tiger Airways") with notice that it was terminating its ground handling service agreement with effect from 1 April 2009, being approximately two years earlier than required expiration. As a result, Tiger Airways commenced legal action against Swissport for breach of contract in March 2009. In April 2009, the High Court of Singapore ruled in favour of Tiger Airways and ordered Swissport to pay damages.

Following the Assessment Hearing conducted on 22 April 2010, the Court on 19 May 2010 awarded Tiger Airways the full amount of its claim in the approximate sum of S$4.7 million ("Judgement"). On 26 May 2010, Swissport filed an appeal against the award. The appeal is scheduled to be heard on 1 July 2010. Due to the uncertainty of the final compensation amount, no amounts have been recognised in the income statement for the financial year ended 31 March 2010.

33. Authorisation for issue of financial statements

The financial statements for the year ended 31 March 2010 were authorised for issue in accordance with a resolution of the directors on 29 June 2010.

interested person transactions

Interested persons transactions carried out during the financial year by the Group are as follows:

Name of Interested Person	Aggregate value of interested person transactions during the year 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)
SIA Engineering Company Limited	–	$2,400,000
Singapore Airport Terminal Services Limited	–	$16,400,000
SATS HK Limited	–	$2,300,000
Total Interested Persons Transactions	–	**$21,100,000**

All the above interested persons transactions were carried out on normal commercial terms.

material contracts

There are no material contracts between the Company and its subsidiaries involving the interests of the Group President and Chief Executive Officer, each Director or controlling shareholder (as defined in the SGX-ST Listing Manual) of the Company, either still subsisting at the end of the financial year 2009-2010, or if not then subsisting, entered into since the end of the previous financial year 2008-2009, other than, where applicable:

(a) as disclosed on Pages 139 to 144 and Page 192 of the Company's IPO prospectus;

(b) the Service Contract signed between the Company and the Group President and Chief Executive Officer, and the appointment letters signed by the Company with the independent Directors;

(c) as disclosed in Note 26 (Related Party Disclosures) of the notes to the financial statements; and

(d) interested person transactions as listed in the Interested Person Transactions section of this Annual Report.

use of proceeds

As at 16 June 2010, the status on the use of proceeds raised from the initial public offering of the Company is as follows:

	Allocation $m	Actual utililisation $m	Amount yet to be utilised $m
Funding for acquisition of aircraft and associated aircraft pre-delivery payments	150.3	50.9	99.4
Establishment of new airline and/or operating bases	9.0	Nil	9.0
Repayment of short-term loans	45.6	41.9	3.7
Working capital	18.5	18.5	Nil
Listing expenses	9.9	9.9	Nil
Gross proceeds from IPO	**233.3**	**121.2**	**112.1**

The utilisation is in accordance with the intended use of proceeds of the initial public offering and in accordance with the percentage allocated, as stated in the Prospectus.

shareholders' information

as at 16 June 2010

Number of Issued Shares	:	533,590,875 shares
Class of Shares	:	ordinary shares
Voting Rights	:	one vote per ordinary share
No. of Holders	:	6,949 holders

STATISTICS OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
1 – 999	8	0.12	3,673	0.00
1,000 – 10,000	5,944	85.54	27,847,742	5.22
10,001 – 1,000,000	980	14.10	40,522,475	7.59
1,000,001 and above	17	0.24	465,216,985	87.19
	6,949	**100.00**	**533,590,875**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	Singapore Airlines Limited	179,009,250	33.55
2.	DBSN Services Pte Ltd	86,883,000	16.28
3.	DBS Nominees Pte Ltd	78,634,051	14.74
4.	Dahlia Investments Pte Ltd	40,185,750	7.53
5.	Citibank Nominees Singapore Pte Ltd	31,285,636	5.86
6.	HSBC (Singapore) Nominees Pte Ltd	14,393,803	2.70
7.	United Overseas Bank Nominees Pte Ltd	12,215,000	2.29
8.	Citibank Consumer Nominees Pte Ltd	4,006,410	0.75
9.	BNP Paribas Securities Services Singapore	3,465,300	0.65
10.	DBS Vickers Securities (S) Pte Ltd	3,309,000	0.62
11.	UOB Kay Hian Pte Ltd	2,326,075	0.44
12.	Royal Bank of Canada (Asia) Ltd	2,079,000	0.39
13.	Morgan Stanley Asia (S'pore) Securities Pte Ltd	2,006,500	0.38
14.	Rosalynn Tay Ee Heah	1,643,970	0.31
15.	Raffles Nominees (Pte) Ltd	1,535,250	0.29
16.	Kim Eng Securities Pte. Ltd.	1,143,000	0.21
17.	Christopher John Ward	1,095,990	0.21
18.	Chen Min I or Chen Chih-Yuan	1,000,000	0.19
19.	Chow Joo Ming	1,000,000	0.19
20.	CIMB Securities (Singapore) Pte Ltd	1,000,000	0.19
	Total	**468,216,985**	**87.77**

shareholders' information

as at 16 June 2010

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 16 June 2010)

	Direct Interest	%	Deemed Interest	%
Singapore Airlines Limited	179,009,250	33.55	–	–
Indigo Singapore Partners, L.P.	78,079,000	14.63	–	–
Ryanasia Limited	58,452,000	10.95	–	–
Dahlia Investments Pte. Ltd.	40,185,750	7.53	–	–
Temasek Holdings (Private) Limited(1)	–	–	221,695,000	41.55
William A. Franke(2)	–	–	78,079,000	14.63
Declan Ryan(3)	–	–	58,452,000	10.95
Thomson Capital Pte Ltd(4)	–	–	40,185,750	7.53
Tembusu Capital Pte Ltd(4)	–	–	40,185,750	7.53

Notes:

(1) Singapore Airlines Limited ("Singapore Airlines") and Dahlia Investments Pte. Ltd ("Dahlia") are subsidiaries of Temasek Holdings (Private) Limited ("Temasek"). DBS Group Holdings Limited ("DBSH") is an associated company of Temasek. Accordingly, Temasek is deemed to be interested in shares in the Company held by Singapore Airlines, Dahlia and DBSH.

(2) Indigo Singapore Partners, L.P. ("Indigo") is a limited partnership established under the laws of the State of Delaware. Indigo is managed by Indigo Singapore LLC, which in turn is managed by Indigo Management LLC. Each of Indigo Singapore LLC and Indigo Management LLC (directly and/or indirectly) is wholly owned by Mr. William A. Franke. Accordingly he is deemed to be interested in shares in the Company held by Indigo.

(3) Ryanasia Limited ("Ryanasia") is an Irish nominee company with one share held by Mr. Declan Ryan, and is the legal owner of the shares in the Company . These shares are held by Ryanasia as nominee of and in trust for certain co-owners. Mr. Declan Ryan beneficially owns 50% interest in these shares. In addition, certain co-owners (who together beneficially own 1.95% interest in these shares) have irrevocably granted Mr. Declan Ryan the absolute discretion to act on their behalf and accordingly Mr. Declan Ryan can effect a sale of the shares held by Ryanasia. Accordingly Mr. Declan Ryan is deemed to be interested in the shares held by Ryanasia. Apart from Mr. Declan Ryan, no other co-owner of Ryanasia is a substantial shareholder, whether via direct or deemed interest, of the issued shares in the Company.

(4) Dahlia is a wholly owned subsidiary of Thomson Capital Pte Ltd ("Thomson") which in turn is a wholly owned subsidiary of Tembusu Capital Pte. Ltd. ("Tembusu"). Accordingly both Thomson and Tembusu are deemed to be interested in the shares in the Company held by Dahlia.

(5) Alexander Maurice Mason beneficially owns 14.38% of the shares in the Company held by Ryanasia.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information made available to the Company as at 16 June 2010, approximately 31.8% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at SGX Auditorium, 2 Shenton Way, SGX Centre 1, 2nd Level, Singapore 068804, on 30 July 2010 at 2.00 pm to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Report of the Directors and Audited Accounts for the financial year ended 31 March 2010 and the Auditors' Report thereon.

(Resolution 1)

2. To re-elect Mr. Lee Chong Kwee as a Director retiring by rotation under Article 125 of the Company's Articles of Association and who, being eligible, offers himself for re-election.

(Resolution 2)

3. To appoint Mr. Chang Long Wee as a Director pursuant to Article 127 of the Company's Articles of Association.

(Resolution 3)

4. To appoint Ms. Lim Siew Lay as a Director pursuant to Article 127 of the Company's Articles of Association.

(Resolution 4)

5. To approve payment of Directors' fees of up to $425,000 for the financial year ending 31 March 2011 (FY 2010: up to $162,000).

(Resolution 5)

6. To re-appoint Messrs Ernst & Young LLP as Auditors of the Company to hold office until the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration.

(Resolution 6)

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Ordinary Resolutions:

7. That authority be and is hereby given to the Directors of the Company to:

(a) (i) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:

(A) (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) (the "Share Issues") shall not, save and except as set out in sub-paragraph (A)(2) below, exceed 50% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 10% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below);

(2) (until 31 December 2010 or such later date as may be determined by the Singapore Exchange Securities Trading Limited (the "SGX-ST"), but in any event subject to sub-paragraph (D) below) the aggregate number of Shares to be issued pursuant to this Resolution by way of a renounceable rights issue on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) (the "Renounceable Rights Issues") shall not exceed 100% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below); and

(3) the number of Shares to be issued pursuant to the Share Issues and the Renounceable Rights Issues shall not, in aggregate, exceed 100% of the total number of the issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below);

(B) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (A) above, the percentage of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for:

(1) any new Shares arising from the conversion or exercise of any convertible securities or Share options or vesting of Share awards which are outstanding or subsisting at the time this Resolution is passed; and

(2) any subsequent bonus issue, consolidation or sub-division of Shares;

(C) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Articles of Association for the time being of the Company; and

(D) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(Resolution 7)

notice of annual general meeting

8. That the Directors be and are hereby authorised to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of options under the Pre-IPO Tiger Aviation Share Option Scheme ("Scheme"), such authority (unless revoked or varied by the Company in general meeting) to continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(Resolution 8)

9. To transact any other business as may properly be transacted at an Annual General Meeting.

By Order of the Board

Cecilia Lim Siok Leng
General Counsel / Company Secretary
Singapore, 15 July 2010

Explanatory Notes:-

(i) In relation to Ordinary Resolution 2, Mr. Lee Chong Kwee, a non-executive Director, will, upon re-election, continue to serve as a member of the Nominating Committee.

(ii) In relation to Ordinary Resolutions 3 and 4, information on Mr. Chang Long Wee and Ms. Lim Siew Lay can be found on Page 15 of the Annual Report. Mr. Chan Hon Chew, Mr. Alexander Maurice Mason and Mr. Jack Koh Swee Lim, all non-executive Directors, will each be retiring by rotation as a Director pursuant to Article 125 of the Company's Articles of Association. They will not be offering themselves for re-election.

(iii) Ordinary Resolution 5 is to seek approval for the payment of up to $425,000 to all Directors (other than Mr. Anthony Alfred Peter (Tony) Davis, the Company's Group President and Chief Executive Officer, whose remuneration is set out in his service agreement with the Company) as directors' fees for the financial year ending 31 March 2011. The payment is for services rendered by them as Directors on the Board as well as the various Board Committees. The Directors' fees are calculated based on the formula set out on Page 28 of the Annual Report. In the event that the amount proposed is insufficient, approval will be sought at next year's annual general meeting for payments to meet the shortfall.

Statement pursuant to Article 74 of the Company's Articles of Association

Ordinary Resolution 7 is to empower the Directors, from the date of the passing of Ordinary Resolution 7 to the date of the next Annual General Meeting, to issue Shares and to make or grant instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such instruments, up to an amount not exceeding in total 50% of the total number of issued Shares (excluding treasury shares), with a sub-limit of 10% of the total number of issued Shares (excluding treasury shares) for issues other than on a pro rata basis to shareholders. The foregoing is subject to the exception that where the Company undertakes a renounceable pro rata rights issue of Shares (including Shares to be issued pursuant to such instruments), the maximum number of such Shares that can be issued is 100% of the total number of issued Shares (excluding treasury shares), provided that the total number of Shares which may be issued pursuant to the Share Issues and the Renounceable Rights Issues shall not exceed 100% of total number of issued Shares (excluding treasury shares). For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time that Ordinary Resolution 7 is passed, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Ordinary Resolution 7 is passed, and (b) any subsequent bonus issue, consolidation or sub-division of Shares. In exercising the authority conferred by Ordinary Resolution 7, the Company shall comply with the requirements of the SGX-ST (unless waived by the SGX-ST), all applicable legal requirements and the Company's Articles of Association. Rule 806 of the SGX-ST Listing Manual presently allows a listed issuer to seek a general mandate from shareholders for inter alia issuance of new shares and convertible securities on a pro rata basis amounting to not more than 50% of its issued share capital (excluding treasury shares). On 19 February 2009, the SGX-ST released a press release of new measures effective on 20 February 2009 (the "Press Release"); the new measures include allowing issuers to issue up to 100% of its issued share capital via a pro rata renounceable rights issue, subject to the condition that the issuer makes periodic announcements on the use of the proceeds as and when the funds are materially disbursed and provides a status report on the use of proceeds in its annual report. The Press Release states that this new measure will be in effect until 31 December 2010 when it will be reviewed by the SGX-ST.

Ordinary Resolution 8 is to empower the Directors to issue new Shares pursuant to the Scheme. The aggregate number of new Shares to be issued pursuant to the Scheme is subject to the limits set out in the terms of the Scheme. The Scheme was terminated on 22 January 2010, the date on which the shares of the Company commenced trading on the SGX-ST pursuant to its initial public offering. Ordinary Resolution 8 is to authorise the Directors to issue shares to holders of outstanding options awarded under the Scheme prior to such termination, subject to the terms and conditions of the Scheme.

Notes

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote instead of him. Such proxy need not be a member of the Company.

2. The instrument appointing a proxy or proxies must be lodged at the registered office of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for the Annual General Meeting.

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TIGER AIRWAYS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 1 February 2007)
(Company Registration No. 200701866W)

PROXY FORM

IMPORTANT

1. For investors who have used their CPF monies to buy the Company's shares, this Notice of AGM is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We ____________________ (NRIC/Passport No.) ____________________

of ____ (Address)

being a *member/members of TIGER AIRWAYS HOLDINGS LIMITED (the "**Company**"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing *him/her, the Chairman of the Annual General Meeting ("AGM") of the Company as *my/our *proxy/proxies to attend and to vote for *me/us and on *my/our behalf and, if necessary, to demand a poll, at the AGM of the Company, to be held at SGX Auditorium, 2 Shenton Way, SGX Centre 1, 2nd Level, Singapore 068804, on 30 July 2010 at 2.00 p.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/their discretion, as *he/they will on any other matter arising at the AGM and at any adjournment thereof. If no person is named in the above boxes, the Chairman of the AGM shall be *my/our *proxy/proxies to vote, for or against the Resolutions to be proposed at the AGM as indicated hereunder, for *me/us and on *my/our behalf and, if necessary, to demand a poll, at the AGM and at any adjournment thereof.

No.	Resolution	** For	** Against
ORDINARY BUSINESS			
1	Adoption of Report of the Directors, the Audited Accounts for the financial year ended 31 March 2010 and the Auditor's Report		
2	Re-election of Mr. Lee Chong Kwee as a Director		
3	Appointment of Mr. Chang Long Wee as a Director		
4	Appointment of Ms. Lim Siew Lay as a Director		
5	Approval of Directors' fees of up to S$425,000 for financial year ending 31 March 2011		
6	Re-appointment of Messrs Ernst & Young LLP as Auditors of the Company and authorise the Directors to fix their remuneration		
SPECIAL BUSINESS			
7	Authorisation to Directors to allot and issue new shares and convertible instruments		
8	Authorisation to Directors to allot and issue new shares pursuant to the Pre-IPO Tiger Aviation Share Option Scheme		

* Delete accordingly ** Indicate your vote "For" or "Against" with a (√) within the box provided.

Dated this __________ day of ________________ 2010

Total number of Shares Held

____
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES ON THE REVERSE SIDE

Notes:

1. A member of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote instead of him. Such proxy need not be a member of the Company.

2. Where a member of the Company appoints two proxies, the proportion of the shareholding concerned (expressed as a percentage of the whole) to be represented by each such proxy shall be specified in the instrument appointing the proxy or proxies.

3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

4. A corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore (the "Companies Act").

5. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or a duly certified copy thereof, must be deposited at the registered office of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding of the AGM.

fold along this line (1)

Affix
Postage
Stamp

Attention: The Company Secretary

Tiger Airways Holdings Limited
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

fold along this line (2)

6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register as at 48 hours before the time of the AGM as certified by The Central Depository (Pte) Limited to the Company and accept as the maximum number of votes which in aggregate the proxy or proxies is or are able to cast on a poll a number which is the number of shares entered against the name of that member in the Depository Register as at 48 hours before the time of the AGM as certified by The Central Depository (Pte) Limited to the Company, whether that number is greater or smaller than the number specified in such instrument appointing a proxy or proxies.

8. A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time appointed for holding of the AGM.

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(65) 6578 6522

tiger airways holdings limited

(company registration number: 200701866w)
(incorporated with limited liability in the
republic of singapore on 1 february 2007)