

**AIRASIA BERHAD**  
**- REORGANISATION OF SHAREHOLDINGS IN AIRASIA JAPAN CO., LTD**

**1. INTRODUCTION**

Further to the announcements dated 1 July 2014 and 18 July 2014 in relation to AirAsia Berhad (“**AirAsia**” or “**the Company**”)’s joint venture in Japan called AirAsia Japan Co., Ltd (“**AAJ**”), the Company would like to announce that it has today through its wholly-owned subsidiary, AirAsia Investment Ltd (“**AAIL**”), completed a shareholding reorganisation exercise of AAJ (“**Reorganisation**”).

**2. THE REORGANISATION**

As a condition to the issuance of the Air Operator’s Certificate (“**AOC**”) to AAJ, the Japan Civil Aviation Bureau (“**JCAB**”) has requested one of the shareholders, Octave Japan Infrastructure Fund I GK (“**Octave**”) to convert its existing voting shares to non-voting shares. The Reorganisation is facilitated to ensure streamlining of voting interest amongst all shareholders of AAJ and the Reorganisation scheme has been submitted to JCAB.

The Reorganisation is deemed allowed based on the reply by the Director-General of the Civil Affairs Bureau on 30 April 1975 to the inquiry of the Osaka Bar Association on 7 March 1975 which explained that the “conversion” of common stock to preferred stock is possible if the company and all of its shareholders mutually agree to the foregoing.

The Reorganisation has the following impact on the ownership structure of AAIL in AAJ:

	<b>Pre-Restructuring</b>	<b>Post-Restructuring</b>
AAI (Voting) Shares	22,224,490	330,000
Total AAJ (Voting) Shares	67,346,939	1,000,000
AAI % of AAJ Total (Voting) Shares	33.0000%	33.0000%
AAI (Non-Voting) Shares	26,775,510	48,670,000
Total AAJ (Non-Voting) Shares	32,653,061	99,130,000
AAI % of AAJ Total (Non-Voting) Shares	82.0000%	49.0971%
AAI Total Shares	49,000,000	49,000,000
Total AAJ Shares	100,000,000	100,130,000
AAI % of Total AAJ Shares	49.0000%	48.9364%

The table in Appendix A shows the shareholding structure of all shareholders in AAJ before and after the Reorganisation. As an additional result of the Reorganisation, 13% of voting shares (equivalent to 0.13% total economic ownership after all capital contributions have been made) has been issued to a new shareholder, FinTech Global Trading Incorporated (“**FinTech**”) to comply with JCAB’s requirements. A Director of AAJ serves as the current Representative Director of FinTech.

**3. FINANCIAL EFFECTS OF THE REORGANISATION**

The Reorganisation has minimal impact on the Company’s economic interest (through AAIL) in AAJ. AAIL’s economic interest will be diluted pro-rata by 0.0637%, therefore changing AAIL’s total economic interest and economic interest in AAJ from 49.0000% to 48.9363%. There has been no change in the capital contribution required from AAIL.

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**4. DIRECTOR'S AND/OR SUBSTANTIAL SHAREHOLDERS' AND/OR PERSONS CONNECTED WITH DIRECTORS' OR SUBSTANTIAL SHAREHOLDERS' INTEREST**

To the best of the knowledge of the Company, none of the Directors or Substantial Shareholders of the Company and/or persons connected to them has any interest, directly or indirectly, in the above Reorganisation.

This announcement is dated 30 September 2015.

