

**Subject : AirAsia Berhad
Deferment of the delivery of ten (10) Airbus A320 from the year 2012 to 2015**

Contents :

AirAsia Berhad ("AirAsia" or "the Company") wishes to announce that it has on 10th February 2011 signed an amendment agreement ("Amendment Agreement") with Airbus S.A.S ("Airbus") for the revision of the delivery dates of ten (10) Airbus A320 aircraft originally scheduled for delivery in 2012 to the year 2015.

1. Salient terms of the Amendment Agreement

- (a) Under a Purchase Agreement (of 11th March 2005) and a number of amendment agreements entered into between Airbus and AirAsia (collectively "the Purchase Agreement"), AirAsia has agreed to a firm order of 175 Airbus A320 aircraft which schedule of delivery runs from December 2005 to October 2014.
- (b) Under the latest Amendment Agreement the parties have agreed to defer the delivery schedule of ten (10) aircraft originally scheduled for delivery in 2012 ("2012 Aircraft") to the year 2015.
- (c) With the above deferment, the delivery of 24 aircraft in 2012 shall be reduced to 14 aircraft.
- (d). The number of deliveries in 2015 will also be increased from 9 aircraft to 19 aircraft.
- (e) No penalties are payable by AirAsia in revising the delivery schedule of the 2012 Aircraft.

2. Rationale

A key commercial reason for the deferral of the 2012 Aircraft is to afford the Company some flexibility to switch from its current order of the classic A320 to a new generation A320 aircraft which is more fuel efficient when such aircraft come into production in the near future.

The deferral will also have a positive impact from the balance sheet perspective, as it will help to maintain the Company's net gearing position to below 2.

Despite the deferral, AirAsia will nevertheless be taking delivery of 14 aircraft in 2012. This will enable the Company to support the growth of its joint ventures in the Philippines as well as Vietnam while continuing to support existing affiliate airlines.

On the back of AirAsia very encouraging financial results in the last quarter, the focus of the Company is to consolidate its growth while creating growth in other regions. The deferment is expected to create a greater optimization of aircraft utilization in tandem with the growth in passenger capacity.

3. Directors' and major shareholders' interests

No directors and/or major shareholders of AirAsia and/or persons connected with them have any interest, whether directly or indirectly, in the Amendment Agreement.

4. Directors' opinion

The Board having considered all the relevant factors in respect of the Amendment Agreement is of the opinion that entering into the Amendment Agreement is in the best interest of the Company.

5. Financial effect of the Amendment Agreement

The Amendment Agreement is not expected to have any material impact on the financial position of AirAsia for this current financial year.

6. Approval required

AirAsia does not require the approval of its shareholders or any authorities to enter into the Amendment Agreement.

7. Document available for inspection

The Amendment Agreement is available for inspection at the registered office of the Company at 25-5, Block H, Jalan PJU 1/37, Dataran Prima, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia during normal business days from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 11th February, 2011