



FOR IMMEDIATE RELEASE

AirAsia application for approval of a proposed Indian airline joint venture

SEPANG, 20 FEBRUARY 2013 – AirAsia Berhad (“AirAsia”) through its investment arm, AirAsia Investment Ltd. (“AAIL”) has submitted an application to the Indian Foreign Investment Promotion Board (“FIPB”) to seek approval for AAIL to invest 49% into a proposed Indian joint venture together with Tata Sons Limited and Mr. Arun Bhatia of Telestra Tradeplace Pvt. Ltd.. This move comes amidst the backdrop of the September 2012 decision by the Government of India to open up the aviation sector to Foreign Direct Investment from foreign carriers.

Subject to FIPB approval, the proposed joint venture company will make an application to Indian aviation regulators for the Air Operators Permit. The parties have signed a Memorandum of Agreement that details high-level terms with regards to the proposed partnership including the proposal to execute definitive agreements such as a shareholders agreement, a brand license agreement and other related documents in the event the FIPB approval is obtained. At such time the FIPB approval is granted AirAsia will issue a further announcement in the form prescribed under the Main Market Listing Rules.

As a pioneer of the low cost carrier (“LCC”) model in Asia and currently Asia’s largest LCC with 118 aircraft and over 350 orders, AirAsia believes Indian aviation has enormous long-term growth potential and is expected to produce tremendous upside for first movers. The joint venture plans to operate from Chennai, Tamil Nadu focused on providing domestic Tier II/Tier III city connectivity to Indian travelers. Currently, AirAsia through its operations based in Thailand and Malaysia already connect Chennai, Bangalore, Tiruchirappalli, Kochi and Kolkata to ASEAN.

AirAsia founder and Group CEO Tan Sri Dr. Tony Fernandes remarked, “*We have carefully evaluated developments in India over the last few years and strongly believe that the current environment is perfect to introduce AirAsia’s low fares which stimulate travel and grow the market.*”

AirAsia is confident that it can replicate its unprecedented success across Malaysia, Thailand, Indonesia and other joint ventures. In particular AirAsia believes its success in affording people to fly



through superior operational performance by emphasizing a focused and disciplined cost structure will tremendously benefit the Indian consumer.

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About AirAsia Berhad

AirAsia, the leading and largest low-cost carrier in Asia, services the most extensive network with 81 destinations. Within 11 years of operations, AirAsia has carried over 180 million guests and grown its fleet from just two aircraft to 118 currently. The airline today is proud to be a truly ASEAN (Association of Southeast Asian Nations) airline with established operations based in Malaysia, Indonesia, Thailand, Japan and the Philippines servicing a network stretching across all ASEAN countries, China, India, Sri Lanka and Australia. AirAsia was named the World's Best Low Cost Airline in the annual World Airline Survey by Skytrax for four consecutive years in 2009, 2010, 2011, 2012.

About Tata Sons Limited

Tata Sons is an investment holding company, with investment across seven business sectors, including Materials, Engineering, Information Technology and Communications, Energy, Services, Consumer Products, and Chemicals. It holds promoter stakes in a number of Tata companies as well as joint ventures, and has minority investment in other companies.

About Telestra Tradeplace Pvt. Ltd.

Telestra Tradeplace is an investment holding company of Mr. Arun Bhatia and one of its group companies is Hindustan Aerosystems Pvt. Ltd.. Hindustan Aerosystems manufactures and supplies precision components for the aerospace industry. Mr. Arun Bhatia has two sons, Aneesh and Amit Bhatia and a daughter, Ayesha Bhatia. Aneesh Bhatia serves as a director in Hindustan Aerosystems. Amit Bhatia serves on the Board of Directors at Queens Park Rangers Football Club in the United Kingdom alongside Tony Fernandes, the founder of AirAsia.

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