

## Bursa Announcement

**Subject : Away Shirt Sponsorship of Queens Park Rangers Football Club by AirAsia Berhad**

### Contents:

#### 1. Introduction

Pursuant to the announcement made by AirAsia Berhad ("AirAsia" or "the Company") on 12 September 2011 ("Previous Announcement"), the Company is pleased to announce that it has today signed an agreement ("Agreement") with QPR Holdings Limited, the parent company of Queens Park Rangers Football Club ("QPR") for the sponsorship of the QPR away shirt in the Barclays Premier League ("BPL") (the "Sponsorship").

#### 2. Salient terms of the Agreement

2.1 The Agreement shall be for a term of one (1) year ("Term").

2.2 In consideration of the rights to be made available to the Company, the Company shall pay QPR a sum of GBP350,000 for the duration of the Term as sponsorship fees.

2.3 Rights: As a recap the Company shall receive, among others:

- the rights to be the official "Away Shirt" sponsor of QPR;
- the designation of "Official Partner of QPR" for advertising and promotional purposes;
- the license to use QPR Intellectual Property for advertising and promotional purposes;
- LED, static board and interview backdrop signage at the QPR Loftus Road Stadium;
- the rights to advertise at the QPR Loftus Road Stadium on Match Days;
- advertising in QPR Official Match Programme and other QPR publications;
- Home and Away game Tickets and Hospitality benefits; and
- Access Rights, including to QPR Loftus Road stadium and training ground for promotional purposes, squad photo shoot sessions and signed QPR merchandise.

Some additional rights made available to the Company following the Previous Announcement include:-

- Additional LED signage time, secondary display boards in the best position for TV exposure and Big Screen at every Home Game;
- Inclusion of AirAsia exclusive VIP box for all Home Games at Loftus Road;
- Right to use of Club Marks, Club Designations, Imagery and Photographs for co-branded merchandising purposes; and
- Pre-match interviews, appearance, and notes by Manager/ Player.

#### 3. Financial effect of the Agreement

This Agreement will not create any material financial impact in the current financial year nor will it have any effect on the share capital and substantial shareholders' shareholdings of the Company. It is also not expected to have a material effect on the net assets per share, earnings per share and gearing of AirAsia for this financial year ending 31st December 2011.

#### 4. Financial Risks

The financial risks associated with the Agreement are expected to be minimal as the risks are limited to the sponsorship fee stated above.

#### 5. Directors' and major shareholders' interests

As disclosed in the Previous Announcement, both Tan Sri Dr. Anthony Francis Fernandes and Dato' Kamarudin Bin Meranun ("the Related Parties"), who are Directors and major shareholders of the Company are deemed interested in the Agreement. They have abstained from all Board and management deliberations in respect of the Agreement.

The Related Parties' direct and indirect shareholdings in the Company as at 30th December 2011 are as set out in the table below.

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Tan Sri Dr Anthony Francis Fernandes	3,227,010	0.12	*362,957,782	13.07
Dato' Kamarudin bin Meranun	1,692,900	0.06	*362,957,782	13.07

Note:

\* deemed interested by virtue of Section 6A of the Companies Act, 1965 through a shareholding of more than 15% in Tune Air Sdn Bhd.

Save as disclosed no other directors and/or major shareholders of the Company and/or persons connected with them have any interest, whether directly or indirectly, in the Agreement.

#### 6. Audit Committees' opinion

The Audit Committee having considered all the relevant factors in respect of the Agreement is of the opinion that entering into the Agreement is in the best interest of the Company as the transaction is entered into on an arm's length basis and is fair, reasonable and on commercial terms which are not detrimental to the interest of the minority shareholders, due to the reasons stated in the salient terms above and rationale mentioned in the Previous Announcement.

#### 7. Directors' opinion

Save for the above interested directors (who had abstained from all deliberations), the Board having considered all the relevant factors in respect of the Agreement is of the opinion that entering into the Agreement is in the best interest of the Company, are entered into under fair, reasonable and normal commercial terms and is not detrimental to interest of minority shareholders.

**8. Highest Percentage Ratio**

The highest percentage ratio applicable to this transaction is 0.13% and the highest aggregated percentage ratio for all the transactions between the Company and the Related Parties and/or persons connected with them pursuant to Paragraph 10.12(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 2.98%.

**9. Total Amount Transacted for the preceding 12 months**

The total amount transacted between the Company and the Related Parties and /or persons connected with them for the preceding twelve (12) months was RM34,731,967.67.

**10. Approval required**

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

**11. Document available for inspection**

The 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 hours from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this announcement.

**This announcement is dated 30<sup>th</sup> day of December, 2011.**