



AIRASIA BERHAD

23rd ANNUAL GENERAL MEETING
CEO's PRESENTATION

30 MAY 2016



2015 AT A GLANCE



Key Milestones

- Voted The World's Best Low-Cost Airline for the seventh consecutive year (Skytrax World Airline Awards)
- Voted Asia's Leading Cabin Crew (World Travel Awards)
- Largest LCC in Asia – 50.7 million guests carried in 2015

 **171** Airbus A320

 **313** million Guests flown

14,584  Allstars
comprising 44 nationalities

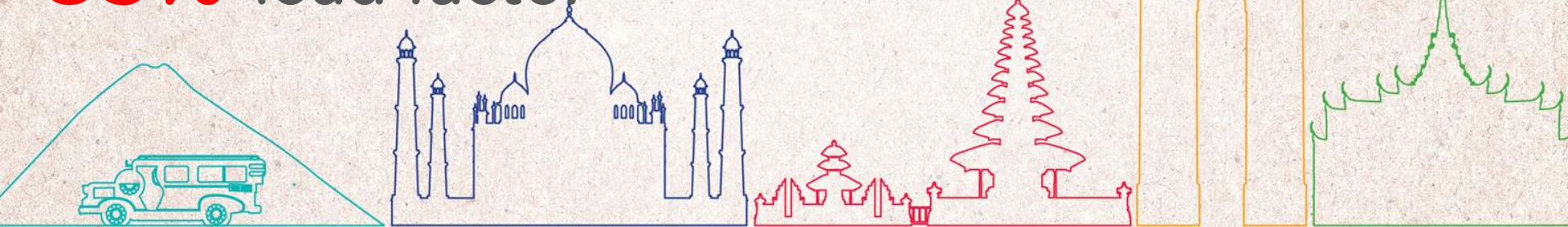
85% load factor

 **112** Destinations

 **20** Countries

Network

- **221** routes
- **20** hubs
- **79** unique routes
- **39** new routes introduced in 2015

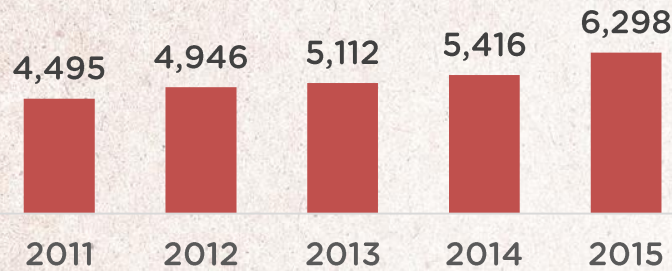




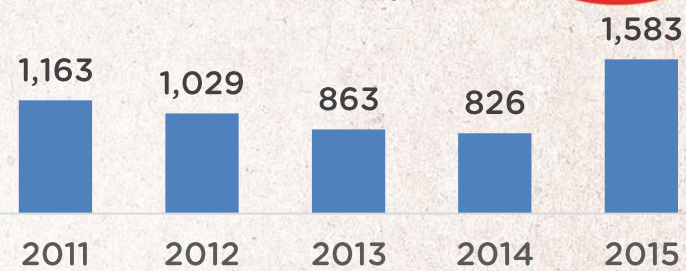
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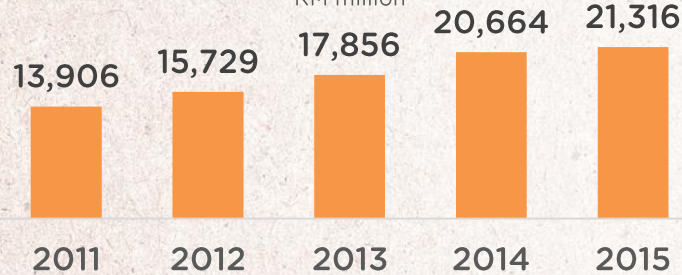
■ Revenue
RM million



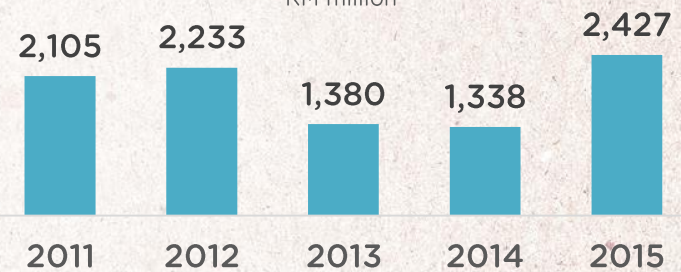
■ Operating Profit
RM million



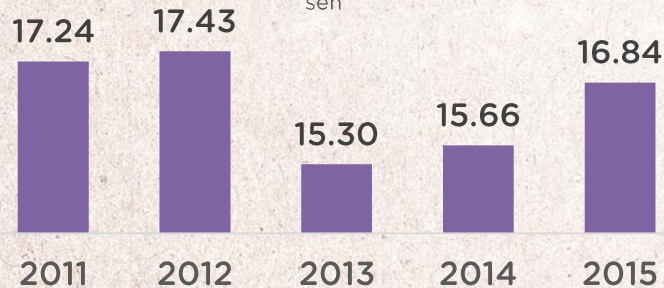
■ Total Assets
RM million



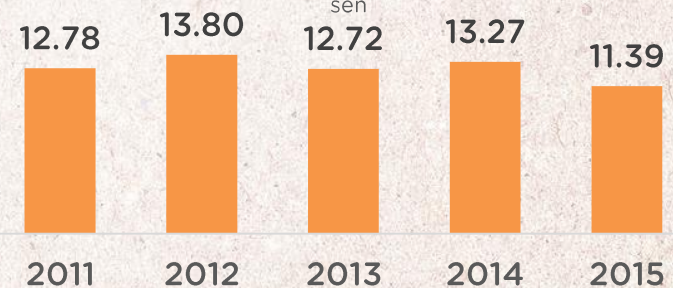
■ Deposit, cash & bank balances
RM million



■ Revenue Per ASK
sen



■ Cost Per ASK
sen

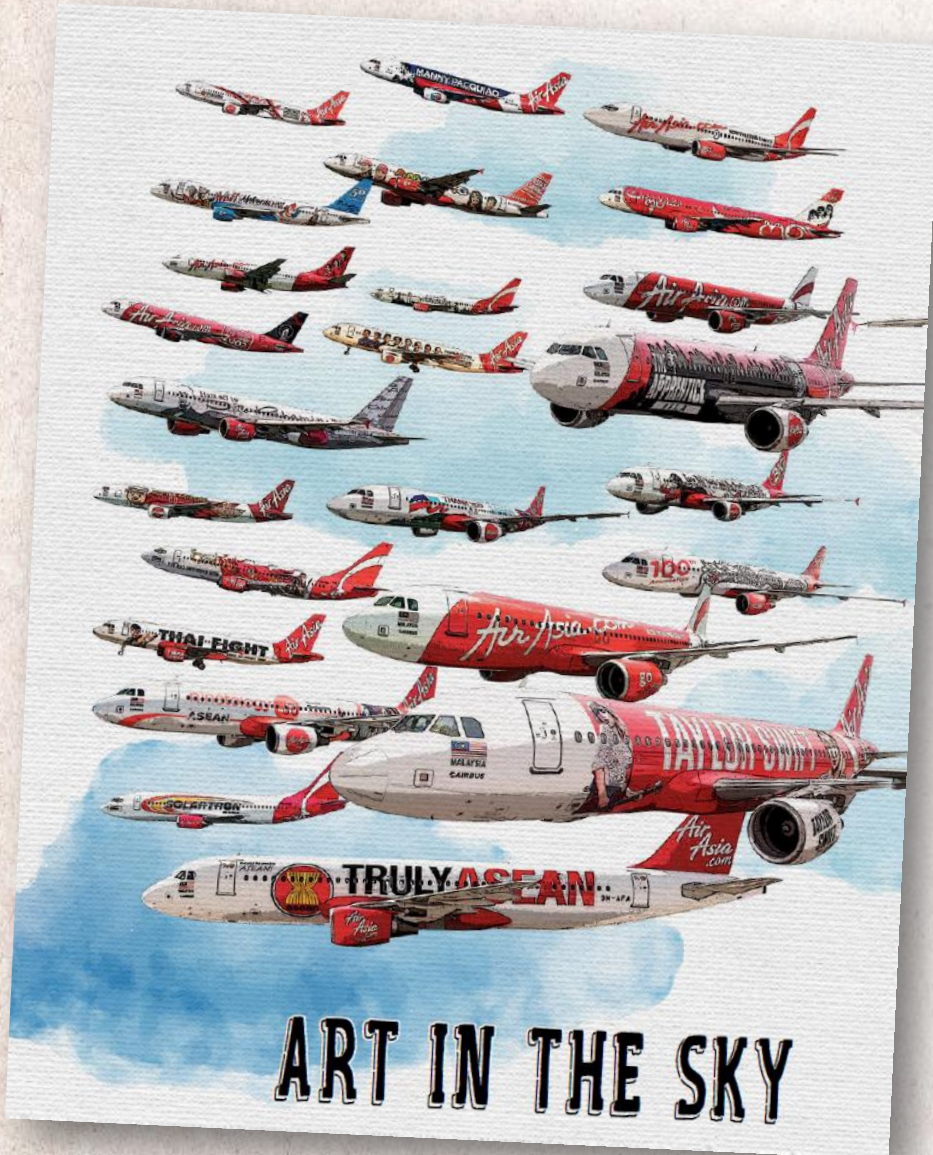




BUSINESS OUTLOOK

1Q16 KEY HIGHLIGHTS

MALAYSIA - STRONG SHOWING



Passengers carried at 6.48 million, rose by 17% from prior year, exceeding capacity growth of 3%



Recorded a high load factor of 85% (+10ppts YoY)



Average fare increased 11% YoY to RM166



Ancillary income per pax up 5% YoY to RM50 – target achieved!



Improved showing by all associates with IAA and PAA contributing to the bottom-line net profit



Lower airport tax – Victory!

Enabled the launch of Langkawi to Guangzhou



2Q16 Outlook

- Strong demands with average load factor forecast at 88%
- Favourable fuel price and foreign exchange

1Q16

KEY HIGHLIGHTS






- Revenue **RM1.70 bil (+31% YoY)**
- Net Operating profit **RM409.80mil (+230% YoY)**
- Net Income **RM876.94mil (+487% YoY)**
- EBIT Margin **31% (+13 pts)**
- EBITDAR margin **48% (+11 pts)**
- RASK **16.88 (+17% YoY)**
- CASK **11.70sen (-1% YoY)**










1Q16 KEY HIGHLIGHTS

-  A record high of load factor at 88% (+5 pts YoY)
-  Passengers at 4.4 million, rose by 18% from prior year, beating 11% capacity growth YoY
-  47 Airbus A320 with utilization of 11.9 hours/day
-  1Q16:
 - Revenue: +16% YoY
 - Net Operating profit: +76% YoY
 - Net Income: +99% YoY
 - Malaysia equity accounted: RM94.9 million
-  2Q16 load factor forecast at 83% with estimated capacity growth of approximately 11%
-  To focus on marketing activities on domestic, China and India routes

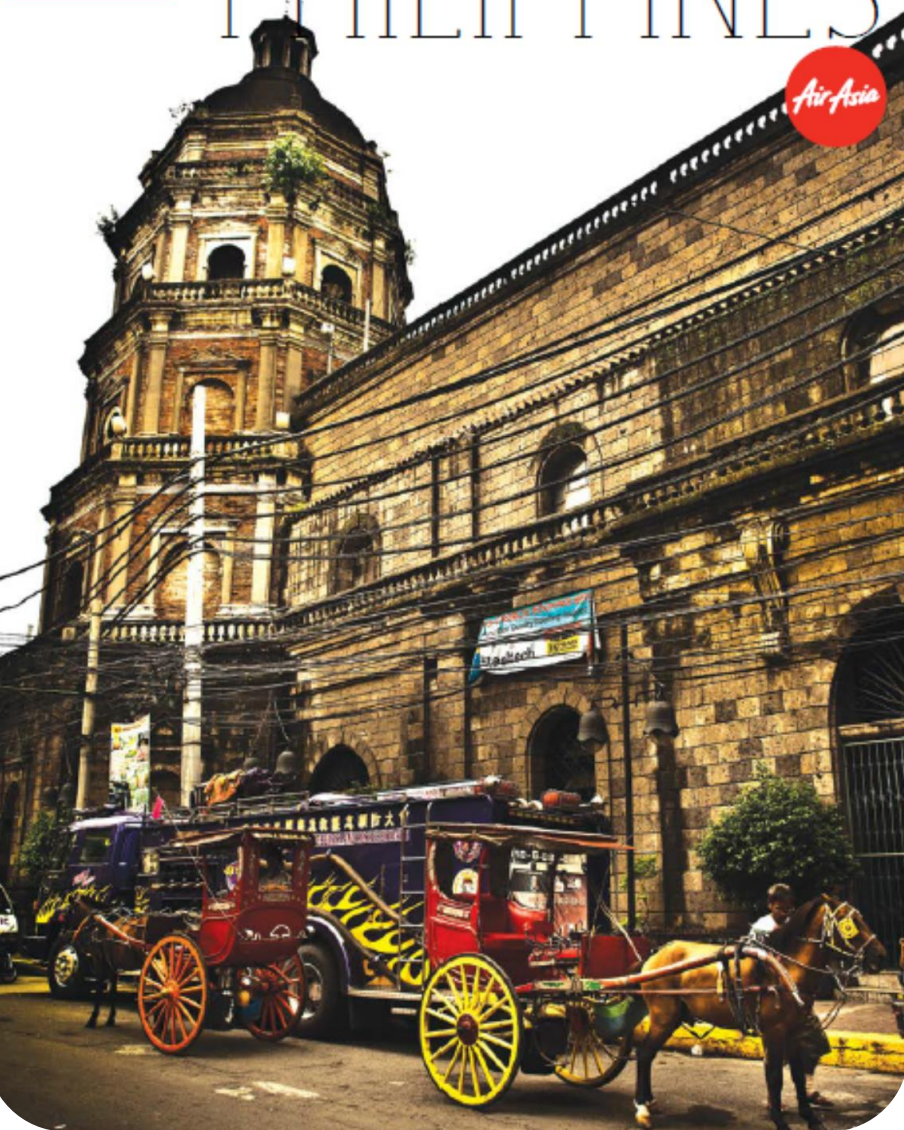


1Q16 KEY HIGHLIGHTS






-  Passengers carried decreased 25% YoY in-line with capacity reduction of 34% YoY
-  Seat load factor increased 10 ppts to 80%
-  1Q16:
 - Guests carried: 1.2 million
 - Revenue: -24% YoY
 - Net Operating loss: -76% YoY
 - Net Income: +104% YoY
 - Malaysia equity accounted: RM122.6 million
-  2Q16 load factor forecast at 82%
-  To focus on promoting international routes

1Q16 KEY HIGHLIGHTS

- ✈ Passengers carried increased 15% YoY, ahead of capacity increase of 2% YoY
- ✈ Strong seat load factor of 87%, an increase of 10 ppts YoY
- ✈ 1Q16:
 - Guests carried: 0.97 million (+15% YoY)
 - Revenue: +23%
 - Net Income: +110%
 - Malaysia equity accounted: RM6.5 million
- ✈ 2Q16 load factor forecast at 91%
- ✈ On track with its turnaround plan to rationalise its fleet composition to further reduce its cost structure in the remaining quarters in 2016

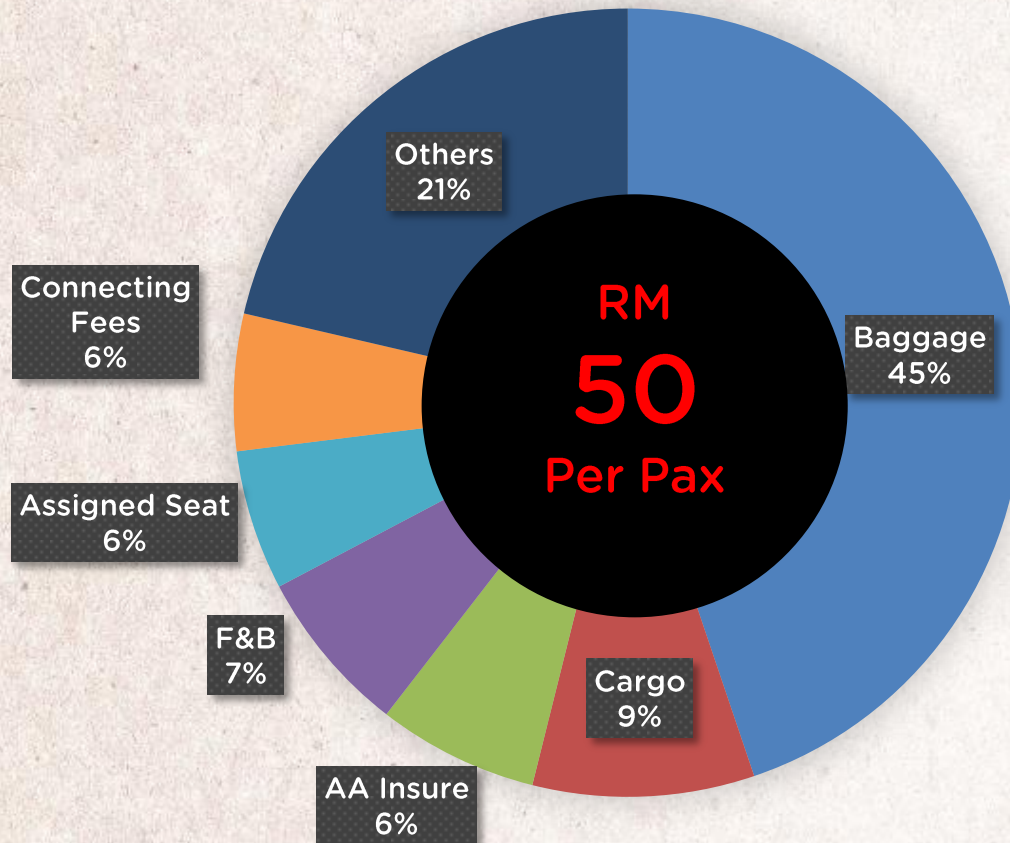


1Q16 KEY HIGHLIGHTS

-  Passengers carried increased 127% YoY, ahead of capacity increase of 110% YoY
-  Stronger seat load factor at 86%, an increase of 7 pts YoY
-  1Q16:
 - Guests carried: 0.54 million (+127% YoY)
 - Revenue: +179% YoY
-  2Q16 load factor forecast at 82%
-  Focused on building a footprint in the Indian domestic market with introduction of new routes and frequency increases

1Q16 ANCILLARY REVENUE +22%

RM50 per pax achieved!



- Total ancillary revenue increased 22% YoY, pushing ancillary income per pax up by 5% to RM50
- Biggest contributors:
 - Baggage (45% of total ancillary revenue) and
 - Cargo (9% of total ancillary revenue)
- Highest growth:
 - AA Courier (+>1000%),
 - Inflight Merchandise (+274%),
 - Inflight Duty Free (+147%)Connecting fees / Flythru (+74%)

FAST TRACK



MONETISING FROM GROWTH IN ADJACENCY BUSINESS





THANK YOU

