



CONTENTS ANNUAL REPORT 2007

- Country of Operations
- 2 Vision and Mission
- 4 Corporate Profile
- 8 Five Year Financial Highlights
- 11 Share Performance
- 12 Chairman's Statement
- 16 Group Chief Executive Officer's Report
- 25 Interview with the Group Chief Executive Officer's Report
- 26 Operational Performance and Peer Group Comparison
- 27 Industry Overview

- **30** Corporate Social Responsibility
- **36** AirAsia X
- 38 Major Milestones
- 40 Awards & Accolades
- 42 AirAsia Group
- **43** Corporate Information
- 44 Board of Directors
- 46 Directors' Profile
- 52 Senior Management
- 58 Statement on Corporate Governance
- 62 Audit Committee Report

- 66 Statement on Internal Control
- 68 Additional Compliance Information
- 69 Financial Statements
- 133 Analysis of Shareholdings
- 137 List of Properties Held
- 138 Notice of Annual General Meeting
- 140 Statement Accompanying Notice of Fifteenth Annual General Meeting
- 141 Airline Terminology Explanation
 Form of Proxy

AirAsia flies to over 100 routes across 11 countries in ASIA

Malaysia

Alor Star Bintulu Johor Bahru

Kota Kinabalu Kuala Lumpur

Kuching Labuan

Langkav

Pulau Pinang

Sibu Tawau

Thailand

Bangkok Chiang Mai Chiang Rai Hat Yai Krabi Narathiwat Phuket Ubon Rathchathan

Indonesia

Bali

Balikpapan Banda Aceh

Batam Jakarta

Medan Padang

Palembang Pekanbaru Solo

Surabaya Yogyakarta

China

Guangzhou Haikou Hong Kong Macau Shenzhen

Cambodia

Phnom Penh Siem Reap

Vietnam

Hanoi Ho Chi Minh

Philippines

Laos

Myanmar

Brunei

Singapore

BRINGING ASIA CLOSER



VISION

To be the largest low cost airline in Asia and serving the 3 billion people who are currently underserved with poor connectivity and high fares.



VALUES

Safety:

Adopting a zero tolerance to unsafe practices and strive for zero accidents through proper training, work practices, risk management and adherence to safety regulations at all times.

Valuing our People:

Committing to our people's development and well-being and treating them with respect, dignity and fairness.

Customer Focused:

We care and treat everyone in the same manner that we want to be treated.

Integrity:

Practicing highest standards of ethical behaviour and demonstrate honesty in all our lines of work in order to command trust and mutual respect.

Excellence in Performance:

Setting goals beyond the best and reinforcing high quality performance standards and achieving excellence through implementing best practices.

MISSION STATEMENT

- To be the best company to work for whereby employees are treated as part of a big family
- · Create a globally recognized ASEAN brand
- To attain the lowest cost so that everyone can fly with AirAsia
- Maintain the highest quality product, embracing technology to reduce cost and enhance service level



COMMITMENT TO EXCELLENCE

AirAsia is committed to excellence. We intend to excel in everything we do by achieving exceptional results. We have set high standards, but no higher than our customers' expectations. Day after day, our people do their best so that we meet these expectations. In all our efforts, there are five fundamental values: Safety, Passion, Integrity, Caring and Fun. They provide a frame of reference for the AirAsia experience and a corporate culture in which we live and deliver peak performance.

Tony Fernandes

Pahamin Ab. Rajab

Dato' Aziz Bakar

Afre dema

Datuk Alias Ali

Dato' Paul Leong

Town See

Fam Lee Ee

Kamarudin Meranun

Data' Khadar Marican

Conor Mc Carthy

AirAsia Berhad ("AirAsia" or "the Company") is a name synonymous with low fares, quality service and dependability. With over 100 routes across 11 countries, AirAsia is truly Asia's leading airline with the widest route connectivity and largest customer base. With the unmistakable tagline, "Now Everyone Can Fly". AirAsia has made flying affordable for more than 50 million guests.

AirAssi Borbad. ID 2000 All Royes S **AGAINST ALL ODDS** hubs located at Low Cost Carrier Terminal (KLIA), Johor

In 2001, Dato' Tony Fernandes along with Dato' Pahamin Ab. Rajab (Chairman, AirAsia), Dato' Kamarudin bin Meranun (Deputy Group Chief Executive Officer, AirAsia) and Abdul Aziz bin Abu Bakar (Director, AirAsia) formed a partnership to set up Tune Air Sdn Bhd and bought AirAsia for a token sum of RM1.00. With the help of Conor Mc Carthy (Director, AirAsia; Director, former Director of Tune Air Sdn Bhd and former Director of Group Operations, Ryanair), AirAsia was remodeled into a low cost carrier and by January 2002, their vision to make air travel more affordable for Malaysians took flight.

Valued at RM3.3 billion, AirAsia is today an award winning and the largest low cost carrier in Asia. From a two aircraft operation of Boeing 737-300, AirAsia currently boasts a fleet of 70 aircraft that flies to over 50 domestic and international destinations and operates over 400 domestic and international flights daily from six Bahru, Kota Kinabalu, Kuching, Bangkok (Thailand) and Jakarta (Indonesia). AirAsia is fast spreading its wings to create a bigger and more extensive route network through its associate companies, Thai AirAsia and Indonesia AirAsia. The airline has carried, thus far, over 50 million guests since its first day of operation.

BRINGING ASIA CLOSER

At AirAsia, we are bringing people closer by bridging boundaries through our philosophy of offering low fares. It has sparked a revolution in travel, as more and more people from all walks of life are now able to fly for the first time, while many others have made air travel with AirAsia their preferred choice of transport. We are consistently adding new routes, which include city pairs that never existed before, in our relentless efforts to create a seamless bridge of unity across Asia. It is











something very close to our hearts as we continuously strive to promote air travel and create excitement amongst our guests with our range of innovative products and personalised services.

THE FOUNDATION OF OUR BUSINESS

AirAsia's success has taken flight through the continued confidence of our guests who prefer a no-frills, hassle-free, low fare and convenient option in air travel. The key to delivering low fares is to consistently keep cost low. Attaining low cost requires high efficiency in every part of the business and maintaining simplicity. Therefore every system process must incorporate best industry practices. We make this possible through the implementation of the following key strategies:

Safety First - Safety is the single most important criteria in every aspect of the operations, an area that AirAsia will never compromise on. AirAsia complies

with the conditions set by regulators in all the countries where the airline operates. In addition, AirAsia partners with the world's most renowned maintenance providers to ensure that its fleet is always in the best condition.

- High Aircraft Utilisation AirAsia's high frequency flights have made it more convenient for guests to travel as the airline implements a quick turnaround of 25 minutes, which is the fastest in the region. This has resulted in high aircraft utilisation, lower costs and greater airline and staff productivity.
- Low Fare, No Frills AirAsia targets guests who are prepared to do away with frills such as meals, frequent flyer miles or airport lounges in exchange for fares lower than those currently offered without comprising on quality and service. Guests have the choice of buying exclusively prepared meals, snacks and drinks from our in-flight service at an affordable price.

Streamline Operations -

Making the process as simple as possible is the key to AirAsia's success. We are working towards a single aircraft fleet; this greatly reduces duplicating manpower requirements as well as stocking of maintenance parts. There is only one class seating, i.e. first class, and passengers are free to sit where they choose.

- Lean Distribution System –
 AirAsia offers a wide and
 innovative range of distribution
 channels to make booking and
 traveling easier for its guests.
 AirAsia's ticketless service
 provides a low cost alternative
 to issuing printed tickets.
- Point to point network The LCC model shuns the hub-andspoke system and adopts the simple point-to-point network. Almost all AirAsia flights are shorthaul (3 hour flight or less). The underlying business is to get a person from point A to B.



OUR COMMITMENT



AirAsia has a firm commitment with a purchase order for 225 Airbus A320 aircraft (175 firm + 50 options), thus securing our growth pipeline up till 2014. We are committed to be a truly Asian airline that operates an extensive route network, fosters economic prosperity, stimulates tourism and promotes stronger cultural integration. AirAsia is poised to be the largest and youngest airline in the region.



GENXTHE THE RIGHT ENGINE RIGHT NOW. Right into the future.

The GEnx meets every promise we made.* Reduced fuel consumption and smaller carbon footprint. Lower emissions and noise. Enhanced durability and maintenance cost. It's here. It's proven. It's the right engine, right now, right into the future. To learn more, visit ge.com/aviation.

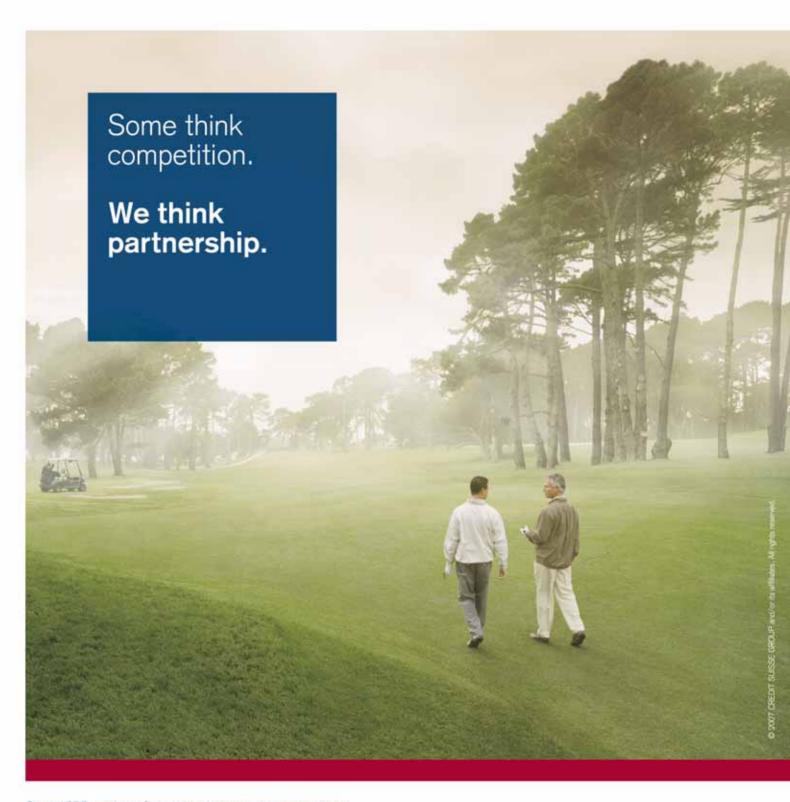
*GEnx comparisons to the engine it replaces

a product of ecomagination



(RM million, unless otherwise stated)	2004	For the year 2005	ended 30 June 2006		For the 6 months ended 31 December 2007 2007	
Revenue	393	718	1.071	1607	1.004	
Total expenses	3 33	596	1,071 997	1,603 1,322	1,094 858	
EBITDAR	116	209	154	490	405	
EBIT	61	122	74	281	237	
Associates contributions	(0.1)	(5.4)	(0.5)	(3.9)	237	
Profit before tax	58.1	114.6	86.2	278.0	276.7	
Tax	(9.1)	(14.3)	115.5	220.0	149.0	
Net income *	49.1	100.8	201.7	498.0	425.7	
Net income	49.1	100.8	201.7	430.0	423.7	
BALANCE SHEET						
Cash & cash equivalent	66	329	426	595	425	
Total Assets	350	1,123	2,574	4,779	6,448	
Net Debt (Total Debt - Total Cash)	29	(329)	627	1,959	3,272	
Shareholders' Equity	150	953	1,148	1,662	2,099	
CASH FLOW STATEMENTS						
Net cash from operating activities	29	(38)	282	595	256	
Cash flow from investing activities	(144)	(297)	(1,249)	(1,943)	(1,581)	
Cash flow from financing activities	141	589	1,067	1,509	1,141	
			<u> </u>	<u> </u>	<u> </u>	
Net Cash Flow	26	254	100	161	(184)	
CONSOLIDATED FINANCIAL PERFORMANCE (%)						
Return on total assets	14.0	9.0	7.8	10.4	-	
Return on shareholders' equity	32.7	10.6	17.6	30.0	-	
R.O.C.E (EBIT/(Net Debt + Equity))	33.8	19.6	4.2	7.7	-	
EBITDAR margin	29.6	29.1	14.4	30.6	37.1	
EBIT margin	15.4	17.0	6.9	17.5	21.6	
Net Income margin	12.5	14.0	18.8	31.1	38.9	
CONSOLIDATED OPERATING STATISTICS						
Passengers carried	2,838,822	4,414,069	5,719,411	8,737,939	5,197,567	
RPK (million)	2,771	4,881	6,702	9,863	5,930	
ASK (million)	3,592	6,525	8,646	12,391	7,919	
Load factor (%)	77	75	78	80	7,313	
Aircraft utilisation (hours per day)	12.8	12.1	12.0	12.0	11.9	
, morare demoderer (nodro per day)	12.0	12.1	12.0	12.0	11.0	
Average fare (RM)	131	143	174	171	195	
Yield Revenue per ASK (sen)	10.9	10.2	12.2	12.9	13.8	
Cost per ASK (sen)	9.4	8.3	10.9	11.2	11.0	
Cost per ASK - excluding fuel (sen)	6.5	4.2	6.1	5.6	5.3	
Yield Revenue per ASK (US¢)	2.87	2.69	3.29	3.64	4.07	
Cost per ASK (US¢)	2.47	2.19	2.95	3.16	3.22	
Cost per ASK - excluding fuel (US¢)	1.72	1.11	1.63	1.57	1.57	
cost por more excitating fact (054)	1.7 ∠	1.11	1.00	1.57	1.57	
Number of Stages	25,106	40,679	48,339	68,195	38,507	
Average stage length (km)	967	1,024	1,163	1,088	1,183	
Average fleet size (Malaysia)	9.5	16.3	20.5	27.1	31.6	
Size of fleet at year end (Malaysia)	13	19	26	34	39	
Size of fleet at year end (Group)	17	27	42	54	65	
Number of employees at year end	1,382	2,016	2,224	2,924	3,474	
Percentage revenue via internet (%)	43	47	60	65	65	

^{*} Net income after minorities



Since 1856, we have focused on bringing new perspectives to our clients. Understanding the past, but shaped by the future. Always looking at opportunities and challenges from a different point of view. Bringing together new partners to achieve results that can make the difference for our clients. Because our sole ambition is to turn your vision into a reality. www.credit-suisse.com



A leader in the hunt for ancillary revenues

In the hunt for ancillary revenues, AirAsia is a clear leader.

With 77% growth in 2007 ancillary revenues and continued growth in 2008, AirAsia knows how to pounce on new opportunities.

Navitaire is proud to partner with AirAsia to support its innovative ideas to generate new revenues. From travel insurance to baggage charges to express boarding privileges, AirAsia nimbly seizes opportunities to better serve its customers and quickly adapt to a changing landscape.

AirAsia will continue to excel in pursuing ancillary revenues from a strong vantage point, enabling it to grow profitably and to outperform its peers in a highly competitive world. And Navitaire will be there to help AirAsia turn its ideas into revenues.

Growth, Innovation, Results. Delivered.

NAVITAIRE

www.navitaire.com



11



AUG 2007

Announcement on 30 August 2007 of the unaudited consolidated fourth quarter results for the three months ended 30 June 2007.

NOV 2007

14th Annual General Meeting (AGM) of the Company was held on 22 November 2007.

Announcement on 23 November 2007 of the unaudited consolidated quarter results for the three months ended 30 September 2007.

FEB 2008

Announcement on 27 February 2008 of the unaudited consolidated quarter results for the three months ended 31 December 2007.

AIRASIA BERHAD

OUR PERFORMANCE
FOR THE YEAR WAS
BEYOND EXPECTATIONS.
WE CARRIED 15 MILLION
GUESTS, EXPANDED THE
NETWORK TO 100 ROUTES
AND DELIVERED PROFIT
MARGINS WHICH ARE
THE BEST IN THE WORLD.

PAHAMIN AB. RAJAB





DEAR SHAREHOLDERS,

I am proud to report another exciting year of growth and achievements at AirAsia. Simply put, our performance for the year was beyond expectations. We have successfully carried 15 million guests across the Group for the 12 months of 2007, expanded our network to a total of 100 routes and delivered profit margins which are the best in the world.

Our route network across ASEAN countries is now complete as we have launched flights to Laos in December 2007. We are also ecstatic with the opening up of the Kuala Lumpur to Singapore route – a sector that we have been battling for over the past five years. This signals the wide acceptance of the low cost carrier industry and the progressive liberation of the airline industry.

During the year we experienced significant challenges; fuel prices continued to move higher and we continue to face difficulties in Thailand and Indonesia. However our business model, based on low cost with care and convenience, continues to prove successful in these challenging times.

PEOPLE

The Board continues to be very grateful for the commitment of our people in delivering stellar performances and maintaining AirAsia's standards. Every employee was rewarded with a well-deserved bonus, and the Board will continue to promote and protect the best interests of our people.

We have always believed that there are no shortcuts in the quest to achieve and maintain the highest quality, and therefore we are investing heavily on our people. The AirAsia Academy is in the process of expansion and it will have more simulators and other training facilities. This demonstrates our commitment to sustaining AirAsia's well-deserved reputation for good service.

THE BOARD

Tan Sri Dato' (Dr.) R.V. Navaratnam, a long-time member of our Board of Directors, retired at the Annual General Meeting in November 2007. Tan Sri Navaratnam has been an outstanding contributor to the Board and we will very much miss his wisdom and experience.

At the same time, I was delighted that Dato' Mohamed Khadar Bin Merican accepted our invitation to join the Board as an Independent Non-Executive Director after an extensive search. Dato' Khadar has an impressive track record and I am certain that he will be an invaluable addition to the Board.



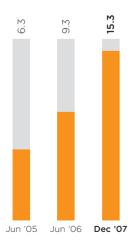








WE HAVE COME A LONG WAY TO BECOME ASIA'S EIGHTH LARGEST AIRLINE IN JUST SIX YEARS.



Passengers Flown by AirAsia Group (million)



Load Factor (%)

CONCLUSION

We have come a long way to become Asia's eighth largest airline in just six years. There is much more to come. We have identified a corporate vision that by 2014, AirAsia will be among Asia's top three airlines with over 50 million passenger carried per year. We will maintain our industry leading profit margins and provide our guests with a friendly and caring experience that will change air travel forever.

The continuous growth of AirAsia since its inception is testament to the sturdiness of the low cost carrier business model. Our policy of striving for continuous improvement and unrelenting discipline to the model gives me confidence that growth will be sustained as we go forward.

Investors can be assured that our focus will stay firmly on enhancing revenue and on the efficient management of the cost base. The creation of value for our shareholders flows directly from the value we deliver to our customers. We know that the best way to do that is to bring the strength of our entire company to our customers, every single time and at every single touch point.

Pahamin Ab. Rajab

Chairman





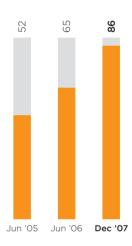
GROUP CHIEF EXECUTIVE OFFICER'S REPORT

AIRASIA'S INTRODUCTION TO THE AVIATION INDUSTRY AS AN INNOVATOR HAS GROWN TO THE EXTENT IT IS NOW A LEADER THAT SETS THE BENCHMARK.

TONY FERNANDES

GROUP CHIEF EXECUTIVE OFFICER





Routes Served By AirAsia Group

DEAR SHAREHOLDERS,

It gives me great joy to reflect upon and comment on our 2007 results and I consider this as one of the best privileges a CEO can ask for. This was indeed a fantastic year for our airline, highlighted by robust growth, record profits, industry leading performance and award winning standards.

Last year the industry experienced some difficult economic issues, not the least of which was the spiraling cost of crude oil. Yet we have been able to perform well through these cycles because AirAsia's approach to our business is extremely disciplined. We concentrate on geographic markets where we already have a strong market position or where the business fundamentals offer attractive entry opportunities and growth.

For the 12 months of 2007, the Group carried a total of 15 million passengers which represents a growth of 28% over the previous year. We introduced 18 new routes and added Laos to our list of countries.

It has been a year filled with numerous industry awards. We have been voted as "The Best Low Cost Airline in Asia 2007" by Skytrax Research of London and clinched "The Airline of the Year" award from Centre of Asia Pacific

Aviation. This award is especially gratifying as it represents the highest level of recognition and honour for AirAsia's outstanding achievements and strategic contribution over the previous year. AirAsia's introduction to the aviation industry as an innovator has grown to the extent it is now a leader that sets the benchmark.

I would like to personally thank our staffs who have made this milestone possible. These results are indeed undeniable testimony to their passion, dedication and love for their job and company. I never had a doubt that we have the best staff and it is such a delight to be working alongside the 6,000 plus fantastic AirAsians.

I NEVER HAD A
DOUBT THAT WE
HAVE THE BEST
STAFF AND IT IS
SUCH A DELIGHT
TO BE WORKING
ALONGSIDE THE
6,000 PLUS
FANTASTIC
AIRASIANS.





where we have seen passenger numbers grow by 42% year on year – outpacing the domestic Malaysia passenger growth of 27%. While we continue to see and take opportunities in domestic Malaysia, we expect the higher rate of growth in international sectors to continue.

Our network currently consists of 100 routes across 11 countries. No other airline in Asia boasts such a comprehensive route network and we will continuously introduce new routes as we embark on our journey to uncharted territories across Asia.

ROUTE NETWORK

2007 saw the increased presence of AirAsia in China with the successful launch of new services to Shenzhen and Guangzhou. In addition, we became the second largest airline in Macau with 12 daily flights linking to our bases in Kuala Lumpur, Bangkok, Johor Bahru, Kota Kinabalu and Kuching. There are other Chinese routes in the pipeline and we are in the final stages of launching flights to Hong Kong, Haikou and Guilin.

Overall, our highest rate of growth has been on international flights,

ADDITIONAL AIRBUS ORDER

To sustain the continued growth of AirAsia, we have now expanded our purchase order to 225 Airbus A320 aircraft (comprising 175 firm and 50 options). The additional 25 firm orders, with a value of US\$1.6 billion at list price, are for phased delivery during 2013 and 2014. This additional order effectively secures our growth pipeline up till 2014.

The terms of the additional purchase rights are substantially the same as on the original Airbus order. This order ensures that AirAsia will continue to operate a young fleet of modern aircraft secured at very competitive rates.



GLOBAL AVIATION GROUP

Innovation, Commitment, Execution



Calyon was named Aircraft Finance House of the Year 2007 by Jane's Transport Finance



OUR BRAND





AIRASIA BRAND

AirAsia continues to be one of the most high profile sports sponsors in the airline world with its portfolio listing many world famous names such as Manchester United, AT&T Williams Formula 1 and English Premier League referees. Apart from mainstream sports, AirAsia is also actively involved in community and amateur sporting events such as MyTeam and City Slickers Basketball Team.

Sports marketing proved to be an effective platform to promote our brand and raise awareness of the airline. In the 2007 Malaysian Formula 1 Grand Prix, we unveiled the AT&T Williams aircraft, truly one of a kind, and it was the star of the show. The AirAsia brand was telecast all over the world and appeared on the front covers of numerous magazines, proof of the newsworthiness of the

world's fastest growing airline. In Asia, we again outscored all other carriers when it came to positive coverage.

These investments will pave the way for strong brand awareness in markets we currently serve and markets that we plan to serve. A strong brand commands superior product differentiation, encourages repeat customers and customer loyalty, and is important for raising profitability.



AIRASIA X:

In the second half of the year, we have completed a commercial services agreement and branding agreement with AirAsia X - the revolutionary long-haul low cost airline. The Board has agreed to exercise our options and acquire 16% of AirAsia X at a price of RM27 million.

AirAsia X is enjoying good response on its Gold Coast and Hangzhou routes and we are very happy with the passenger profile on AirAsia X. Many long-haul passengers are using AirAsia to connect their flights to their final destinations. This effectively strengthens our route network and expands our clientele list. I am confident that with more routes soon to be launched with the addition of more aircraft, Kuala Lumpur will be the low cost gateway to South-east Asia.





INDUSTRY OUTLOOK

The Asia Pacific aviation industry is enjoying strong passenger demand. According to the International Civil Aviation Association, passenger numbers in the Asia Pacific region grew in excess of 12% in 2007. This strong passenger growth is attributed to the rising economies and increased disposable income of the Asian people. Furthermore, there are significant commercial and business activities between Asian countries which are driving business travel. Passenger growth in Asia Pacific is expected to continue in 2008, albeit at a slower pace.

Despite the industry enjoying brisk passenger growth, profitability has largely been absent. This is due to the challenging operating conditions that the industry is facing; fuel prices and aircraft cost are at record high levels, pilot and engineers are short in supply and access to credit is tight.

Many in the aviation industry are concerned about a possible global economic slowdown and softer consumer demand. We have not seen any evidence to substantiate that claim in our markets. We continue to enjoy strong passenger growth, market share expansion and expansion of our route network with a high success ratio. However, I must say that these threats are justifiable because the airline industry is inherently cyclical and a downturn is inevitable at some point of time.

These are industry risks that we have long prepared for. We have persistently reduced our cost to become the lowest cost base airline in the world, and we believe there are further cost reductions to be had. Our balance sheet is well capitalised with just under half a billion Ringgit of cash and the business is generating strong cash flow. With these strong business foundations coupled with our proven business model, AirAsia is poised to do well in both good and less favourable times.

We do not see a downturn as a threat, but rather as an opportunity. A downturn is an opportune time to rapidly open new markets with our low fares, win market share from our competitors and expedite the process of route domination. We believe 2008 will be a big year for us to extend our leadership and for the marginal players to either consolidate or disappear altogether.

CHALLENGES TO GROWTH



The principal challenge for the year is the soaring fuel price. Fuel continues to break new heights and the volatility is making it very difficult to get any sense of direction for hedging.

Due to the unpredictability in fuel prices, we have decided to accelerate the retirement of our older Boeing 737-300 aircraft from our fleet. In 2008, we will retire a minimum of nine Boeing 737-300 aircraft and may retire up to a further seven. This fleet rejuvenation will structurally reduce our cost base as the new Airbus A320 aircraft are more fuel-efficient and deliver greater productivity. This exercise will extend our competitive edge by enhancing our customer service delivery and enriching the value proposition to our customers.

Competitive pressure is generally abating. With the surge in fuel prices and other operational challenges, the industry is forced to be more rational and efficient. However, we expect some airlines to implement sporadic sales campaigns to compete on price and trade incentives over the course of the year. We are vigilant about our low fares and make sure that we always offer the best customer value and protect the AirAsia brand. In addition, we know we must sustain the pace of innovation that has been a key driver to AirAsia's success.

These are some of the challenges we face. There will be other challenges that we cannot predict. The key is for us to have the leanest cost structure, most efficient operations and financial agility to respond even when unexpected issues arise.



CONGRATULATIONS TO AIR ASIA FOR ITS SUCCESSFUL OPERATIONS!

Contact: Eric EUGENE, Global Head of Transportation Group E-mail: eric.eugene@bnpparibas.com - Phone: +33 1 43 16 80 74

www.cib.bnpparibas.com





WE HAVE PROVEN THAT WITH CLEAR STRATEGIES. CORE STRENGTHS, A **BALANCED APPROACH TO GROWTH, AND THE BENEFITS** OF GOOD LEADERSHIP, WE **CAN PRESS ON WITH NO** COMPROMISE IN QUALITY.

GOING FORWARD

Growing a company the size of AirAsia is challenging. Nevertheless we have proven that with clear strategies, core strengths, a balanced approach to growth, and the benefits of good leadership, we can press on with no

From making flights affordable to people of all walks of life; and to creating a truly global brand that places Asia in the altitude of international acclaim, our thrust comes from setting and achieving towering goals. In six years, we have come far. And we will ascend to new heights in the coming years.

I wish to thank all shareholders, staff, the management, the Board and our business partners who have helped us stake our place at the forefront of developments in the aviation industry. I look forward to your continued contributions as we embark on new, exciting journeys in the year ahead.

Tony Fernandes

Chief Executive Officer



RERHAD

At AirAsia, our commitment to transparency and accountability begins at the top. In the following Question & Answers, AirAsia CEO Tony Fernandes takes the opportunity to answer questions that matter the most to our shareholders.

Q: Why should investors choose AirAsia?

A: Firstly, you will be participating in a long term secular growth industry. AirAsia is geographically situated in a population catchment area of three billion people. roughly half the world's population. Despite the vast population, majority of the people never flew before because air travel is cost prohibitive. That is where AirAsia bridges the gap, with fares as low as ours, everyone can really fly! Secondly, we are disciplined to the low cost carrier business model. This is a business model that has proven itself many times over trough various economic cycles in the USA and Europe. True to form, our cost base is the lowest in the world and we are in the position to extend our cost leadership going forward. We have invested a fortune to build a solid business foundation. Our fleet is one of the youngest and most efficient in Asia. Our people are highly trained professionals with passion and desire to be the best. I could go on and write a book on why you should invest in AirAsia, but if I was to summarise it in one sentence and without sounding too much of a hard sell, I truly believe AirAsia is trading significantly below its intrinsic value.

Q: What is AirAsia doing to differentiate itself in the highly competitive airline industry?

A: Since day one, we have persistently remained disciplined to the low cost business model. We have successfully stayed the path whereas others have veered off. So it appears that we are not doing anything different, but rather the competitors are doing us a favour by changing their game plan. Something we work at every day is to see air travel from our customers' vantage point rather than our own. This way, we can work at taking away the complexity that comes with the airline industry. This is where we are different.

Q: Where do you see your opportunities in Asia?

A: There are growth opportunities everywhere in Asia.

We are focusing to expand our route network beyond the Malaysian border for this year. I am not implying

that there is no more growth in Malaysia; our domestic Malaysia passenger numbers grew by 27% in 2007. However, the rate of growth in the international sectors are much higher and there are many new opportunities waiting to be unlocked.

Q: Has your appetite for risk changed as a result of a more challenging economic climate and higher fuel price?

A: The definitive answer is "no." AirAsia has long pursued a disciplined, consistent and prudent approach to business risk management. This means our risk appetite remains consistent whether the economy is growing or slowing. It's an approach that delivers better and more predictable returns for our shareholders. And peace of mind for our customers, who know they can count on AirAsia to meet their travel needs through the ups and downs of the economic cycle.

Q: Has there been any change in AirAsia's strategy?

A: Our focus and strategic direction has not changed. We continue to develop our core Malaysian businesses and our joint ventures in Thailand and Indonesia. What has changed is the pace of growth. We have decided to accelerate the retirement of Boeing 737-300 aircraft in order to structurally reduce cost and enhance customer service. This exercise underpins our doctrine for quality and risk aversion.

Q: What satisfied you most about the year and what disappointed you most?

A: The best moment for me was when the government announced the opening up of the Kuala Lumpur to Singapore route. To me, this is a great sign of progress. The airline industry is increasingly being liberated from legacy anti competitive regulations. But I am also quite disappointed with the slow pace of negotiations with airport authorities. While we are wasting time negotiating with the airport authorities, we both are missing out on greater economic potential.

Our Performance Peer Group Performance * Fuel consumed per 100 ASK ¹ Fuel consumed per 100 ASK 3.35 3.38 AirAsia's average fuel consumed The peer group's average fuel per 100 ASK is 2.89 liters. consumed per 100 ASK is 3.38 liters. Fuel consumption has consistently AirAsia has the best fuel consumption improved due to the induction of rate due to a young fleet age, high fuel efficient Airbus A320 aircraft seat density configuration and into the fleet since 2005. efficient operations. Jun '05 Jun '06 Dec '07 12.7 12.4 Aircraft Utilisation Aircraft Utilisation ² AirAsia's average utilisation is The peer group's average utilisation 12.0 block hours per day. is 12.4 block hours per day. The aircraft utilisation is relatively AirAsia's utilisation rate is lower than constant as this is the optimal peer group because AirAsia does not utilisation rate for our operations. operate late night flights. Jun '06 Dec '07 6.35 Unit Cost (Cost/ASK) Unit Cost (Cost/ASK) 5.79 5.60 AirAsia's unit cost for 2007 is The peer group's average unit cost 3.20 US cents/ASK. is 6.35 US cents/ASK. Unit cost has been increasing AirAsia's unit cost increase is for the past three years. significantly lower than the peer The higher fuel price is the group. This signifies our superior contributor to higher unit cost. cost containment measures. Jun '06 Dec '07 Yield (Revenue/ASK) Yield (Revenue/ASK) 6.29 AirAsia's yields for 2007 is The peer group's average yields is 4.03 US cents/ASK. 7.12 US cents/ASK. Yields have been increasing The lower yield than the peer group for the past three years. reflects the low yield operating Better yield management and conditions in Asia. growth in ancillary income has AirAsia's yield growth has outpaced Jun '05 Jun '06 Dec '07 contributed to yield growth. the peer group for the past three years.

Notes:

Peer group includes other prominent low cost carriers around the world such as; Air Arabia, AirTran, EasyJet, GOL Airways, JetBlue Airways, Virgin Blue, Southwest Airlines, Ryanair and WestJet.

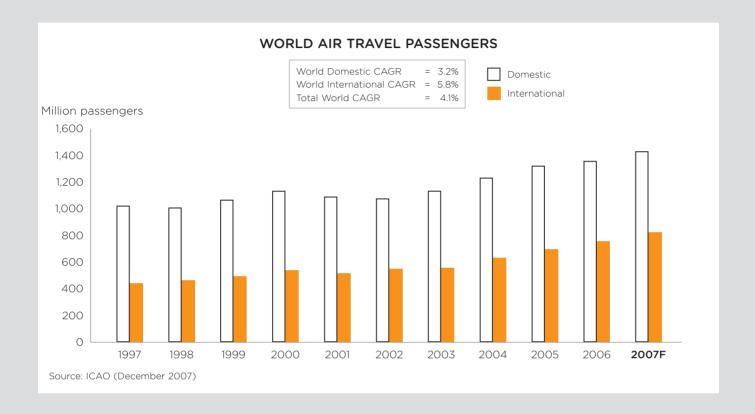
Peer Group

* Peer group information are obtained from the latest available annual reports by each respective Company.

AirAsia

- 1 AirTran and Ryanair are excluded from this comparison.
- 2 AirArabia, VirginBlue and Ryanair are excluded from this comparison.

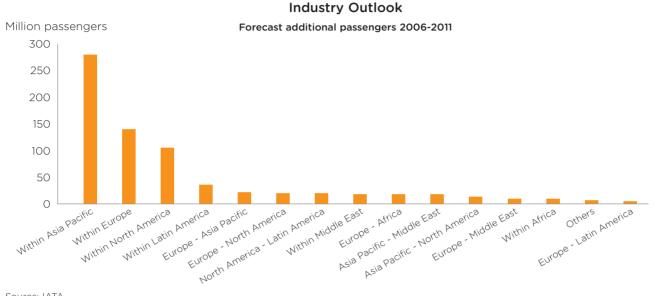




Air travel continued to enjoy buoyant growth in 2007. According to the International Civil Aviation Organization (ICAO), 2.2 billion passengers were carried on scheduled services around the world in 2007. This represents a 6% growth rate compared to 2006, thus significantly outpacing the long-term average growth rate of 4.1%.

Overall, the aviation industry performed strongly in 2007. The estimated profit produced by the industry was USD16.3 billion, up by 26% from the year before. In general, traffic growth outpaced the increase in available seat capacity. The global load passenger load factor in 2007 reached a record of 76.5%. Yields have also increased across the board with price increases in the premium classes and economy class.

Asia Pacific recorded the second most impressive growth after the Middle East. Total passenger load for the Asia Pacific region was roughly 617 million passengers. This represents a growth of 12.7% (or 70 million passengers) over the previous year.



Source: IATA

According to the International Air Transport Association (IATA), the industry is expected to carry an additional 600-700 million new passengers up to 2011. The Asia Pacific region alone is expected to grow in excess of 250 million passengers.

Total Airbus and Boeing Commercial Aircraft Deliveries

	2003	2004	2005	2006	2007	2008F	2009F
Asia	113	120	175	200	265	286	269
Africa/Middle East	42	32	37	50	38	37	59
North America	102	113	113	121	131	153	156
Latin America	19	15	16	48	67	53	39
Europe	109	128	112	158	178	212	196
Others	173	174	200	250	222	200	140
Total	558	582	653	827	901	941	859

Source: Airbus and Boeing data

Asia will receive the highest number of aircraft deployment over 2008 and 2009. The Chinese and Indian airlines are expanding aggressively and AirAsia is also scheduled to take delivery of several aircraft in the next six years.

WHAT DOES THIS MEAN TO US?

The positive industry landscape makes it very attractive for AirAsia to sustain our high growth trajectory. The demand for air travel in Asia is very robust underpinned by the rising economic wealth of Asian nations, increase in cross border trade, increase in urban population polarity and the increased liberation of the air travel industry.

AirAsia is in the best position to capitalize on the growth in air travel in Asia over the long-term. With our low cost structure, comprehensive route network, simple distribution systems, strong brand and renowned customer service, we offer the best value proposition in air travel.



It will be obvious which airlines did & which didn't evolve.

For evolving airlines, one thing remains the same: the need to do things differently; for us, for you and your customers' experience.

Amadeus supports hundreds of unique business models, thousands of flights and millions of processes — all designed to meet the specific business needs of each airline. From distribution to departure control, from e-commerce to customer management, our next generation technology is integrated, open and flexible, giving you the power to do things differently today, and every day.

Distribution & Content Sales & e-Commerce Business Management Services & Consulting

Do something different today.

Email Amadeus on:

airline.marketing@amadeus.com

or visit:

www.amadeus.com/airlines



ENVIRONMENT

The aviation industry is a contributor to air pollution in the form of noise and harmful emissions such as carbon dioxide, nitrogen oxides, hydrocarbons and dust particles. Whilst achieving zero pollution level is impossible, there are ways to mitigate the impact on the environment.

As a relatively new airline, AirAsia has been able to craft a business plan that included enlightened aspects of running an airline that would contribute to a cleaner environment. Our goal is to ensure that our existing business is as efficient as possible, both in the air and on the ground and to continue to find ways to minimise our environmental footprint.

There is no established measure or regulation for an airline's environmental efficiency. In the absence of such a measure, AirAsia has set itself the target of being a leading environmentally efficient and responsible airline. The strategies that we implement are listed below:

1. INVESTMENT IN THE LATEST TECHNOLOGY

AirAsia's policy is to grow its fleet using the latest technology aircraft whilst retiring older models. We are motivated by the fact that today's aircraft are typically 70% cleaner (per passenger kilometre) and 75% quieter than their 1960s counterparts.

New technology aircraft are more fuel-efficient than older models due to technological advancements in aerodynamic efficiency, the use of advanced lightweight materials (such as composite materials) and fuel-efficient engines. This will also lower the amount of harmful emissions, a byproduct of fuel burn.

2. EFFICIENT USE OF AIRCRAFT

Our standard aircraft is the Airbus A320. The typical seating configuration of an Airbus A320 is 150 seats

(source: Airbus). However, we have configured our Airbus A320 with 180 seats - thus achieving 20% more seats per flight than the standard configuration.

Our no-frills service allows us to reduce the space and weight inside the plane devoted to galleys, lavatories and storage. In addition, we have furnished our fleet with lightweight seats, carpets and other components. The reduced weight of the aircraft translates to lower fuel consumption and air pollution.

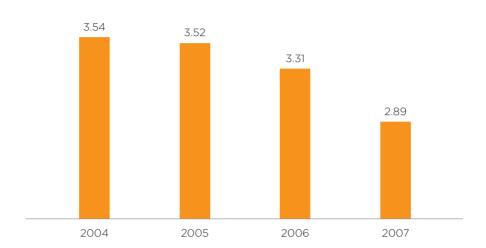
3. POINT TO POINT NETWORK

Conventional airlines operate networks based on a "hub and spoke" system. In these networks, the majority of passengers will take two flights to reach their destination, connecting through the hub. AirAsia only flies direct with no connecting services. A direct service between two points will produce lower emissions than two flights via a hub.

4. SIMPLE AIRPORT INFRASTRUCTURE

AirAsia has simple airport infrastructure requirements. As a short-haul point-to-point airline with one class of service, AirAsia has no need for segregated check-in areas or for complex baggage handling systems and facilities to transfer passengers between flights. Wherever possible, AirAsia uses basic steps, staircases and ramps rather than energy-consuming aero bridges.

AirAsia Fuel Consumption Rate (liters per 100 ASK)



The fuel consumption rate per seat has improved by 18% since 2005. This improvement is due to the induction of brand new Airbus A320 aircraft into the fleet (first Airbus A320 aircraft delivered December 2005) and the move to the low cost terminal in March 2006. The fuel consumption rate is expected to improve further in 2008 as we phase off the older Boeing 737-300 completely in the Malaysian operations.



PEOPLE





Team AirAsia

The airline that believed it could, and did - that has been the mindset that has propelled us into the imagination of the public and into the ranks of award-winning airlines. To keep the momentum going, we have created a work environment that is liberating and supportive; that produces champions; and that inspires each member of the team to deliver outstanding performance to internal and external customers.

YOUR WORK MAKES YOU OUTSTANDING

Nothing else is a factor in recognizing and rewarding the work of any one of our staff. Not race, creed, age, disability, nationality, religion or sexual orientation. At AirAsia, being an equal opportunities employer is a pillar of the company's identity.

TEACHING SKILLS FOR A LIFETIME

AirAsia's training and development programmes are designed to take very good people and give them the skills necessary to safely operate an airline. The AirAsia Academy pursues an in-depth and rigorous programme for ongoing development of our pilots, cabin crew, engineers, contact centre, and management and administrative staff. Alongside these job skills, employees are trained to invest and believe in our brand proposition of "safety, fun, friendly, caring and passion". Inevitably this training transforms our employees in their personal and social lives too, making them stand out as capable and dedicated people.

CORPORATE CULTURE

AirAsia has a clear communications strategy that unifies all our employees across Asia in reaching business achievements and goals. Our flat management structure enables the management to communicate directly with all employees, via intranet and forums to discuss any developments that are pertinent to AirAsia. This open communication channels ensures high employee satisfaction and engagement levels

STAFF REWARDS AND RECOGNITION

AirAsia continues to deliver staff appreciation initiatives such as food subsidies, free staff travel, generous medical insurance coverage for staff and seminars on personal health and wellbeing. All of which are part of the caring environment that we believe will motivate and take our staff to ever-higher levels of excellence.



STABILITY AND FINANCIAL STRENGTH:

THE BEST TRAVEL COMPANIONS FOR AIRASIA GUESTS

AIG would like to congratulate AirAsia on another groundbreaking year. AIG is privileged to be AirAsia's Official Insurance Partner and is proud to have protected millions of AirAsia Guests through our unique partnership.

We look forward to expanding our global partnership as we strengthen our ties for the years to come.





Our 2007 story would not be complete without a look at our presence in the community. Corporate Social Responsibility has always been a vital aspect in AirAsia. AirAsia's giving is about building partnerships that make an impact on our communities; it is an extension of our brand and representative of our culture and, within it, our commitment to caring.

COMMUNITY





GIVING BACK TO THE COMMUNITY

Society

AirAsia places significant value on being a responsible corporate citizen by sharing with people and organizations in need. A company that holds charitable giving in such high regard naturally attracts people who feel the same, which explain why AirAsians are such caring people, always happy to help out, donate time, money, expertise and whatever else those in the community might need.

In line with the spirit to aid the public, the people's airline, AirAsia has started several small but meaningful projects that engage associates and public to help the less priviliged.

'Facilities for Disabled Passengers'

Appreciating the tremendous support AirAsia get from the public, AirAsia has taken another step to serve them better. AirAsia has provided the facilities for disabled people that have made air travel possible for the disabled people. AirAsia's disabled guests will now be able to fly with greater ease with the airline's newly acquired ambulifts. The airline has placed one ambulift in its

LCC Terminal hub (Kuala Lumpur) and another in its Kota Kinabalu hub.

'Donate Your Loose Change Champaign' for Institut Jantung Negara (IJN)

In 2008, AirAsia teamed up with Institut Jantung Negara (IJN) to raise much needed funds through the launch of "Donate Your Loose Change" campaign. Through our help and the aid of others, the campaign has proven successful to support people who are in need of medical care.

In addition, AirAsia has also constantly supported and cooperated throughout the years with several independent bodies and associations that were in run to aid the effected and underprivileged people by contributing free flight tickets and waiving the luggage charges.

SPONSORSHIPS

AirAsia has constantly supported various higher learning institutions, schools, and government bodies that request for assistance in their educational activities. AirAsia's sponsorship in sports team also plays an important role to underpin our brand, perpetuating our culture and building relationships with our communities. Our involvement is not limited to professional teams, but amateur and upstarts as well. We believe the dreams of our local athletes must be supported, as they are the future of tomorrow.

WHAT IS ON THE HORIZON?

As AirAsia grows, so will our investment to the community. As we enter new areas, we look forward to developing partnerships and finding ways to engage with the community. Our communities and our people put us in the sky; we are honoured to be able to give back on the ground.

Make it happen

The Royal Bank of Scotland Group has arrived in Malaysia. At RBS, we believe actions speak louder than words and it's this attitude that has seen us become one of the world's fastest growing global banking groups. Our network can offer you swift and decisive banking solutions to enable your business to make it happen in Malaysia and around the world.



AIRASIA BERHAD





Another tradition has been consigned to the history books by the AirAsia brand. This time, AirAsia X, has questioned the very nature of expensive long haul flights by bringing its discipline of low cost principles to this once privileged category of air travel.



BRING THE WORLD TO ASIA AND TAKE ASIA TO THE WORLD.

ANNUAL REPORT AIRASIA 37 AIRASIA X

AirAsia X will deliver fares as much as 50% lower than incumbent airlines by utilizing a new operating model based on its blueprint of high aircraft utilisation, point-to-point services and single aircraft type with optimised seat configuration.

HISTORY IN THE MAKING

AirAsia X was introduced in January 2007 and set up as a separate company with its own operating license and capital structure. This enables AirAsia X to pursue its own sources of equity to support debt for its fleet of wide-body aircraft.

In February 2008 AirAsia X had raised RM375 million gaining the confidence of prominent local and international investors including Richard Branson's Virgin Group, Orix of Japan, Manara of the Middle East, and certain individual founders of AirAsia. AirAsia Berhad holds a 16% interest via redeemable preference shares.

LAUNCHING A GLOBAL NETWORK

AirAsia X secured its first leased A330-300 aircraft and commenced commercial operations in November 2007 to Gold Coast, Australia. This was followed by Hangzhou, China in February 2008. AirAsia X pioneered these destinations with their first direct flights from Southeast Asia – in line with the model of stimulating new markets.

We have secured our growth pipeline with the acquisition of 25 new Airbus A320-300 for phased delivery from 2008 to 2013. When the full fleet is eventually in place over the next five years, AirAsia X will be providing services to over 25 destinations across Australia, China, India, Japan, Korea and the Middle East. We are also planning to introduce London as our maiden European destination. Currently, efforts are underway to secure a suitable aircraft to ply this route. We hope to launch this highly anticipated flight later in 2008.

INNOVATING THE LONG-HAUL IN-FLIGHT XPERIENCE

Given the nature of long haul flights, AirAsia X has been pioneering new services to ensure greater comfort for its guests. Priority is given to quality seating with the trademark AirAsia black leather seats, a seat pitch comparable to full-service carriers, and an innovative fixed-back shell design. We have also introduced the XL seat, a premium wider seat with ample legroom – priced at the same rate as an economy seat on a legacy carrier, but with the spaciousness that rivals seats in traditional business class

The new aircraft will be fitted with a state-of-the-art, in-flight entertainment system. Guest will thus enjoy a wide array of movies, TV programmes and music, as well as interactive features that allow the convenience of ordering food, beverages and duty free items.

SYNERGIES WITH AIRASIA

There are significant benefits and synergies between AirAsia and AirAsia X. By exploring the long-haul sector, the AirAsia brand will extend its reach globally and boost the brand building process. The route network will have more city pairing options and promote flow through of long-haul passengers to AirAsia's short-haul network. AirAsia is the most geographically connected airline in South-east Asia, a compelling trait that makes Kuala Lumpur the low cost gateway to South-east Asia.

The second synergy is to help stabilise yields. Demand for air travel is inherently seasonal. However the seasonality differs from country to country. By linking Malaysia to the rest of the world, we can overlap the weak season with a strong season or vice-versa. This will help to stabilise yields and reduce seasonality spikes over the year.

However, both AirAsia and AirAsia X derive scale benefits by leveraging AirAsia's brand, infrastructure, and resources through brand license and commercial services agreements.

FUTURE OUTLOOK

Barely a few months into its operations, AirAsia X is enjoying brisk demand and is poised to turn in a positive operating cash flow. The future looks bright as AirAsia X extends the amazing AirAsia experience across the world, living up to its tagline: "Now Everyone Can Fly Xtra Long".





4 August 2007





15 August 2007

2 August 2007

16 July 2007

YEAR 2007

7 September 2007

AirAsia was recognised for its human capital development, Awarded the 2007 Frost & Sullivan Industrial Technologies awards.

31 August 2007

AirAsia signed a letter of intent with Vietnam shipbuilding industry group (Vinashin) for a new budget airline in Vietnam.

30 August 2007

AirAsia completed a record year: Annual revenue increased by 52%, pretax profit soared to RM278 million with EBITDAR margins of 31%.

28 August 2007

Iskandariah Development Region gets a boost from AirAsia with enhanced connectivity. AirAsia celebrated its first Airbus in Johor base with flights to Macau and Palembang.

24 August 2007

AirAsia's sponsored the Road Flyers-Merdeka Millennium Endurance Race 2007 supporting local motorsport racing talents.

15 August 2007

AirAsia's In-flight magazine launched...Travel 3Sixty.

4 August 2007

Enchanced facilities for greater mobility AirAsia improved amenities for the comfort of its disabled guests.

2 August 2007

AirAsia announced sponsorship of English Premier League Referees.

30 July 2007

AirAsia bagged the 2007 Asia's Best Low-Cost Airline award by Skytrax.

20 July 2007

AirAsia and FlyAsianXpress (now known as AirAsia X) sign the Brand License Agreement.

16 July 2007

Inaugural KUALA LUMPUR - SHENZHEN flight!

11 July 2007

Citibank and AirAsia tie the knot! Citibank AirAsia co-branded credit card was launched.

5 July 2007

AirAsia is the only airline to serve direct flights to Krabi from KL.

AIRASIA

RERHAD



11 July 2007



5 April 2007



11 May 2007



8 January 2007

18 June 2007

AirAsia's Mega Sales is back with up to 90% discounts! Unbeatable low fare reductions for domestic and international routes.

6 June 2007

AirAsia signed a cargo service agreement with Leisure Cargo GmbH.

30 May 2007

AirAsia celebrated Malaysia's 50 birthday with Amazing Low Fares.

25 May 2007

AirAsia added its 6th daily direct flight to Langkawi 9,000 Seats Up For Grabs With Fares From RM1.99.

11 May 2007

AirAsia introduced Xpress Boarding, Be Among The First To Choose Your Seat.

12 April 2007

AirAsia opened a sales office in Penang.

5 April 2007

AirAsia is an official sponsor of the AT&T Williams Formula 1 team.

9 March 2007

AirAsia carried its first million passengers to Macau! Launched flight to Macau from Kota Kinabalu.

6 March 2007

AirAsia celebrated its 30 Million guests flown by offering 500,000 seats for fares as low as RM0.30.

7 February 2007

AirAsia introduced direct flights to Penang from East Malaysia hubs.

31 January 2007

AirAsia teams up with Microsoft Windows Vista.

18 January 2007

AirAsia launched new flights from East Malaysia hubs.

9 January 2007

AirAsia launched a regional marketing campaign and offered 1,000,000 free seats.

8 January 2007

AirAsia received the regional Brand Laureate award.

8 January 2007

AirAsia acquired 100 more Airbus A320 aircraft.





The Asean leader in affordable asian travel and an award-winning low cost carrier.

2007



 AirAsia received the Minister's Award at the Malaysia Tourism Awards 2005/2006.



 AirAsia was voted as Asia's Best Budget Airline by SmartTravelAsia.com under the Best In Travel Poll 2007.



 AirAsia was awarded the Airline Human Capital Development Strategy Award for the Asian Commercial Pilot Training Market by Frost & Sullivan.



 AirAsia was ranked as one of Asia's Best Emerging Companies with regards to Corporate Governance by The Asset.



 AirAsia was awarded as the "Best Low Cost Airline in Asia" by Skytrax Research of London.



 AirAsia, Asia's leading low fare airline has bagged yet another prestigious award, "The Brand Laureate 2006-07 for brand excellence in the Airlines-Low Cost Carrier Category" at the inaugural Brand Laureate Awards by Asia Pacific Brands Foundation (APBF).



 AirAsia was awarded as the "Airline of the Year 2007" by the Centre for Asia Pacific Aviation.



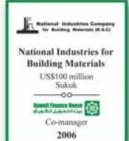
 AirAsia was awarded as Malaysia's Best Managed-Mid Cap Company by Asia Money magazine.











Helping You Succeed

Your Partner in Innovative Islamic Financial Solutions













Best Musharakah Deal

KL Sentral Sukuk Musharakah Kuwait Finance House (Malaysia) Berhad

Best Country Deal in India

SREI infrastructure Finance Limited Ijarah Kuwait Finance House (Malaysia) Berhad







We have unfolded a great beginning and we look forward to continuous excellence, beyond the expectations of our clients and partners.

www.kfh.com.my

Kuwait Finance House (Malaysia) Berhad (672174-T)

CORPORATE OFFICE:

Level 18, Tower 2, ETIQA Twins, 11, Jalan Pinang, P.O.Box 10103, 50704 Kuala Lumpur, Malaysia. General Line: (+603) 2055 7777

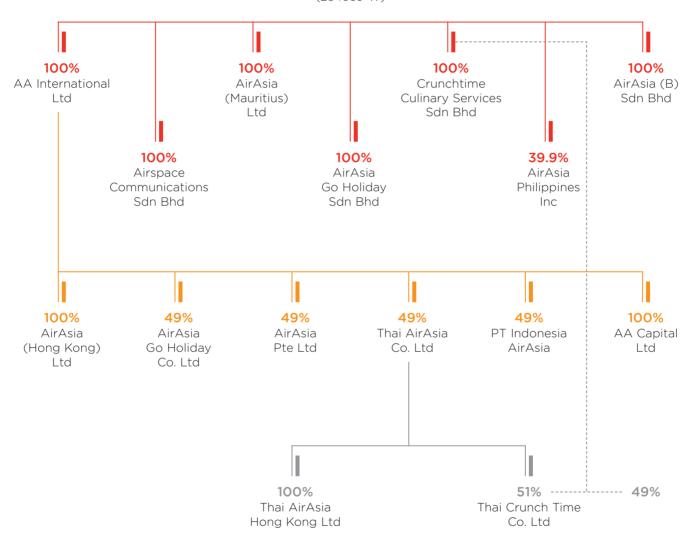
CUSTOMER SERVICE CENTRE:

Contact Centre: (+603) 2056 7777 Fax: (+603) 2056 7755 Email: customerservice@kfh.com.my











BOARD OF DIRECTORS

Dato' Pahamin Ab. Rajab

Chairman/Non-Executive Director

Dato' Anthony Francis Fernandes

Group Chief Executive Officer

Dato' Kamarudin bin Meranun

Deputy Group Chief Executive Officer

Dato' Abdel Aziz @

Abdul Aziz bin Abu Bakar

Non-Executive Director

Conor Mc Carthy

Non-Executive Director

Dato' Leong Khee Seong

Independent Non-Executive Director

Fam Lee Ee

Independent Non-Executive Director

Datuk Alias bin Ali

Independent Non-Executive Director

Dato' Mohamed Khadar bin Merican

Independent Non-Executive Director

AUDIT COMMITTEE

Dato' Leong Khee Seong

Fam Lee Ee

Datuk Alias bin Ali

Dato' Mohamed Khadar bin Merican

REMUNERATION COMMITTEE

Datuk Alias bin Ali Dato' Leong Khee Seong

Fam Lee Ee

NOMINATION COMMITTEE

Dato' Pahamin Ab. Rajab

Datuk Alias bin Ali

Fam Lee Ee

OPERATIONS SAFETY COMMITTEE

Conor Mc Carthy Dato' Abdel Aziz @

Abdul Aziz bin Abu Bakar

COMPANY SECRETARY

Jasmindar Kaur A/P Sarban Singh (Maicsa 7002687)

AUDITORS

PricewaterhouseCoopers

Level 10. 1 Sentral

Jalan Travers, Kuala Lumpur Sentral

: (603) 2173 1288

50706 Kuala Lumpur

Tel: (603) 2173 1188

Fax

REGISTERED OFFICE

AirAsia Berhad

(Company No. 284669-W) 25-5, Block H, Jalan PJU 1/37

Dataran Prima, 47301 Petaling Jaya Selangor Darul Ehsan, Malaysia

Tel : (603) 7880 9318 Fax : (603) 7880 6318

E-mail: investorrelations@airasia.com

Website: www.airasia.com

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd Level 26, Menara Multi-Purpose

Capital Square

No. 8 Jalan Munshi Abdullah 50100 Kuala Lumpur, Malaysia

Tel : (603) 2721 2222 Fax : (603) 2721 2530/1

SOLICITORS

Messrs Logan Sabapathy & Co.

PRINCIPAL BANKERS

CIMB Bank Berhad Citibank Berhad

Malayan Banking Berhad

RHB Bank Berhad

Standard Chartered Bank

Malaysia Berhad

CORPORATE BROKER

ECM Libra Berhad

CORPORATE ADVISOR

Credit Suisse

STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia Securities Berhad

(Listed since 22 November 2004)

(Stock code: 5099)