AIRASIA BERHAD
(Company No. 284669-W)
(Incorporated in Malaysia with limited liability under the Companies Act, 1965)
FIRST QUARTER REPORT ENDED 31 March 2011

ANNOUNCEMENT

The Board of Directors of AirAsia Berhad ("AirAsia" or "the Company") is pleased to announce the following unaudited consolidated results of AirAsia and its subsidiaries (collectively known as "the Group") for the first quarter ended 31 March 2011.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		INDIVIDUAL QUARTER		CUMULATIVE	
		Quarter ended	Quarter ended	Period ended	Period ended
	Note	31/03/2011 RM'000	31/03/2010 RM'000	31/03/2011 RM'000	31/03/2010 RM'000
Revenue	10	1,047,941	870,605	1,047,941	870,605
Operating expenses:					
- Staff costs		(118,532)	(90,429)	(118,532)	(90,429)
- Depreciation of property, plant and equipment		(141,136)	(116,738)	(141,136)	(116,738)
- Aircraft fuel expenses		(376,547)	(308,834)	(376,547)	(308,834)
- Maintenance, overhaul, user charges and other related expenses		(146,733)	(110,632)	(146,733)	(110,632)
- Aircraft operating lease expenses		(15,795)	(21,832)	(15,795)	(21,832)
- Travel and tour operating expenses		(17,933)	(15,195)	(17,933)	(15,195)
- Other operating expenses		(35,478)	(28,132)	(35,478)	(28,132)
Other (losses)/gains - net	11	13,862	(21,195)	13,862	(21,195)
Other income		32,070	7,436	32,070	7,436
Operating Profit		**241,719**	**165,054**	**241,719**	**165,054**
Finance Income	26	115,724	306,478	115,724	306,478
Finance Costs	26	(154,569)	(215,350)	(154,569)	(215,350)
Share of results of a jointly controlled entitiy	22	-	-	-	-
Share of results of associates	22	-	-	-	-
Profit before tax		**202,874**	**256,182**	**202,874**	**256,182**
Current Taxation	28	(3,658)	(4,366)	(3,658)	(4,366)
Deferred taxation	28	(27,288)	(27,706)	(27,288)	(27,706)
Profit after tax		**171,928**	**224,110**	**171,928**	**224,110**
Attributable to:					
-Equity holders of the company		171,928	224,110	171,928	224,110
-Minority interests		-	-	-	-
		171,928	**224,110**	**171,928**	**224,110**
Basic earnings per share (sen)		6.2	9.1	6.2	9.1
Diluted earnings per share (sen)		6.2	9.1	6.2	9.1

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

AIRASIA BERHAD

(Company No. 284669-W)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

FIRST QUARTER REPORT ENDED 31 March 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE	
		Quarter ended	Quarter ended	Year ended	Year ended
		31/03/2011 RM'000	31/03/2010 RM'000	31/03/2011 RM'000	31/03/2010 RM'000
Profit/(Loss) for the period		171,928	224,110	171,928	224,110
Other comprehensive income / (loss)	**12**	1,405	(11,150)	1,405	(11,150)
Cash flow hedges					
Total comprehensive income/(loss) for the period		173,333	212,960	173,333	212,960
Total comprehensive income/(loss) attributable to:					
Equity holders of the company		173,333	212,960	173,333	212,960
Minority Interest		-	-	-	-

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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	PERIOD ENDED 31/03/2011 RM'000	PERIOD ENDED 31/12/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	202,874	1,098,856
Adjustments:		
Property, plant and equipment		
- Depreciation	141,136	519,984
- Impairment	-	6,996
- Gain on disposal	(20,744)	(1,311)
Amortisation of long term prepayments	4,936	24,741
Amortisation of other investments	3	12
Unwinding of discount on intercompany receivables	(2,832)	(9,647)
Fair value losses on derivative financial intruments	46,218	295,028
Net unrealised foreign exchange (gain)/loss	(111,477)	(586,755)
Interest expense	92,088	374,364
Interest income	(14,670)	(66,699)
	337,532	1,655,569
Changes in working capital		
Inventories	(768)	3,311
Receivables and prepayments	229,131	(162,883)
Trade and other payables	(232,923)	63,453
Intercompany balances	148,561	393,568
Cash generated from / (used in) operations	481,533	1,953,018
Interest paid	(33,820)	(379,099)
Interest received	11,838	57,052
Tax paid	(5,365)	(11,808)
Net cash from / (used in) operating activities	**454,186**	**1,619,163**
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment		
- Additions	(226,473)	(1,902,833)
- Proceeds from disposal	21,256	-
Purchase of AFS Financial Asset	-	(16,000)
Deposit on aircraft purchase	(1,111)	50,808
Long term prepayments	(4,105)	-
Net cash used in investing activities	**(210,433)**	**(1,868,025)**
CASH FLOWS FROM FINANCING FACILITIES		
Proceeds from allotment of shares	2,247	16,948
Hire purchase instalments paid	(9)	(57)
Proceeds from borrowings	184,235	1,562,856
Repayment of borrowings	(140,963)	(572,580)
Deposits pledged as securities	(559)	(942)
Net cash from financing activities	**44,951**	**1,006,225**
NET INCREASE/(DECREASE) FOR THE FINANCIAL PERIOD	288,705	757,363
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	1,475,828	718,465
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD*	**1,764,533**	**1,475,828**

* The balance at end of financial period excludes fixed deposits of RM29.348 million (31/12/10: RM28.789 million) pledged with licensed bank as securities for banking facilities granted to the Company

This Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2010

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FIRST QUARTER REPORT ENDED 31 March 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	AS AT 31/03/2011 RM'000	AS AT 31/12/2010 RM'000
NON CURRENT ASSETS			
Property, plant & equipment	14	9,403,233	9,318,041
Investment in associates		29	29
Derivative Financial Instruments	33	22,153	25,544
Other investments		25	25
AFS Financial Assets		152,942	152,942
Goodwill		8,738	8,738
Deferred tax asset		691,972	719,260
Long term prepayments		22,762	23,593
Amount due from associates		117,964	117,964
		10,419,818	10,366,136
CURRENT ASSETS			
Inventories (at cost)		18,321	17,553
Derivative Financial Instruments	33	2,575	-
Trade receivables		69,063	130,098
Prepayment, deposits and other receivables		528,062	711,024
Deposit on aircraft purchase		245,129	248,684
Amount due from a jointly controlled entity		31,134	99,802
Amount due from associates		114,164	162,386
Deposits, bank and cash balances		1,793,881	1,504,617
Tax recoverable		75	-
		2,802,404	2,874,164
CURRENT LIABILITIES			
Trade and other payables		735,246	912,943
Sales in advance		329,114	328,549
Borrowings	32	556,231	553,967
Hire-purchase payables		6	15
Current tax liabilities		0	1,632
Amount due to associate		0	5,223
Amount due to a related co		74,705	41,262
		1,695,302	1,843,591
NET CURRENT ASSETS		**1,107,102**	**1,030,573**
NON CURRENT LIABILITIES			
Borrowings	32	7,213,519	7,302,884
Derivative Financial Instruments	33	496,862	452,865
		7,710,381	7,755,749
		3,816,539	**3,640,960**
CAPITAL AND RESERVES			
Share capital	7	277,552	277,344
Share Premium		1,223,632	1,221,594
Retained Earnings b/f		2,102,571	1,041,160
Profit/(Losses) for the year		171,928	1,061,411
Other Reserves		40,856	39,451
Shareholders' funds		3,816,539	3,640,960
		3,816,539	**3,640,960**
Net assets per share attributable to ordinary equity holders of the Company (RM)		**1.38**	**1.31**

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company									
	Issued and fully paid ordinary shares of RM0.10 each									
	Number of shares '000	Nominal Value RM'000	Share Premium RM'000	Foreign Exchange Reserves RM'000	Cash Flow Hedge Reserves RM'000	AFS Reserves RM'000	Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	TOTAL EQUITY RM'000
At 1 January 2011	2,773,437	277,344	1,221,594	485	(71,309)	110,275	2,102,571	3,640,960	-	3,640,960
Net Profit for the period	-	-	-	-			171,928	171,928	-	171,928
Other comprehensive income	-	-	-	-	1,405	-	-	1,405	-	1,405
Issuance of ordinary shares - Pursuant to the Employees' Share Option Scheme ('ESOS')	2,080	208	2,038	-			-	2,246	-	2,246
At 31 Mar 2011	2,775,517	277,552	1,223,632	485	(69,904)	110,275	2,274,499	3,816,539	-	3,816,539
At 1 January 2010 (As restated)	2,757,745	275,774	1,206,216	592	(65,670)	105,996	1,041,160	2,564,068	-	2,564,068
Net Profit for the period	-	-	-	-	-	-	224,110	224,110	-	224,110
Other comprehensive income					(11,150)			(11,150)	-	(11,150)
Issuance of ordinary shares - Pursuant to the Employees'	-	-	-	-	-	-	-	-	-	-
Share Option Scheme ('ESOS')	1,084	109	1,062	-	-	-	-	1,171	-	1,171
At 31 Mar 2010	2,758,829	275,883	1,207,278	592	-	-	1,265,270	2,778,199	-	2,778,199

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

KEY OPERATING STATISTICS – 31 March 2011

Performance indicator for Malaysian operations for current quarter against the same quarter last year

Quarter Ended: 31 March	Jan-Mar 2011	Jan-Mar 2010	Change y-o-y
Passengers Carried	4,318,334	3,685,389	17%
Capacity	5,415,120	5,016,780	8%
Seat Load Factor	80%	74%	6 ppt
ASK (million)	6,374	5,929	7%
RPK (million)	5,108	4,090	25%
Average Fare (RM)	164	173	-5%
Ancillary Income per pax (RM)	50	38	31%
Unit Passenger Revenue (RM)	214	211	2%
Rev / ASK (sen)	16.44	14.68	12%
Rev / ASK (US cents)	5.39	4.82	12%
Cost / ASK (sen)	12.65	11.90	6%
Cost / ASK (US cents)	4.15	3.91	6%
Cost / ASK-ex fuel (sen)	6.74	6.82	-1%
Cost / ASK-ex fuel (US cents)	2.21	2.24	-1%
Aircraft (average)	50	46	9%
Aircraft (end of period)	53	48	10%
Average Stage Length (km)	1,180	1,174	1%
Number of Flights	30,084	27,871	8%
Fuel Consumed (barrels)	1,055,071	1,017,693	4%
Average Fuel Price (US$/barrel)	117.1	99.6	18%

Exchange Rate: RM:USD – 3.05, prior year US cents figures are restated at current exchange rate.

Definition and calculation methodology

ASK (Available Seat Kilometres)	Total available seats multiplied by the distance flown.
RPK (Revenue Passenger Kilometres)	Number of passengers carried multiplied by distance flown
Revenue/ASK	Total revenue divided by ASK
Cost/ASK	Total expenses before interest and tax divided by ASK
Cost/ASK – ex fuel	Costs, as defined above, less fuel expenses, divided by ASK

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134: "Interim Financial Reporting" and paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2010.

2. Summary of significant accounting policies

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2010. In addition, there are standards, amendments to published standards and interpretations to existing standards that are or will be applicable to the Group and Company as detailed below.

The following new and revised standards, interpretations and amendments to standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2011 or later periods, but the Group has not early adopted them:

The revised FRS 3 "Business combinations" (effective prospectively for accounting period beginning 1 July 2010) continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the minority interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply FRS 3 (revised) prospectively to all business combinations from 1 January 2011.

The revised FRS 124 "Related party disclosures" (effective from 1 January 2012) removes the exemption to disclose transactions between government-related entities and the government, and all other government-related entities. The following new disclosures are now required for government related entities:

The name of the government and the nature of their relationship;

The nature and amount of each individually significant transactions; and the extent of any collectively significant transactions, qualitatively or quantitatively.

This standard is not expected to have a material impact on the earnings per share since these changes only result in additional disclosures.

The revised FRS 127 "Consolidated and separate financial statements" (applies prospectively to transactions with non-controlling interests from 1 July 2010) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. When this standard is effective, all earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity. Profit or loss attribution to non-controlling interests for prior years is not restated. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in the income statement. The Group will apply FRS 127 (revised) prospectively to transactions with minority interests from 1 January 2011. This standard is not expected to have a material impact on the Group's financial statements.

Amendments to FRS 7 "Financial instruments : Improving Disclosures" and FRS 1 "First-time adoption of financial reporting standards" (effective from 1 January 2011) requires enhanced disclosures about fair value measurements and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Group and Company will apply Amendments to FRS 7 from 1 January 2011. This standard is not expected to have a material impact on earnings per share since these changes only result in additional disclosures.

Amendments to FRS 132 "Financial instruments : Presentation" on classification of rights issue (effective from 1 March 2010) addresses accounting for rights issues that are denominated in currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity instruments instead of as derivative liabilities, regardless of the currency in which the exercise price is denominated. The Group and Company will apply Amendments to FRS 132 "Classification of Rights Issues" prospectively from 1 January 2011. This standard is not expected to have a material impact on the Group's and Company's financial statements.

IC Interpretation 15 "Agreements for construction of real estates" (effective from 1 January 2012) supersedes FRS 201 "Property development activities" and clarifies that property development activities are sale of goods, instead of construction contracts. IC Interpretation 15 will result in a change in accounting policy for revenue recognition for property development activities of the Group from percentage of completion method to completion method where revenue can only be recognised when the Group has transferred control and the significant risks and rewards of ownership of the completed properties to the buyer.

IC Interpretation 16 "Hedges of a net investment in a foreign operation" (effective from 1 July 2010) clarifies the accounting treatment in respect of net investment hedging. This includes the fact that net investment hedging relates to differences in functional currency, not presentation currency, and hedging instruments may be held by any entity in the Group. The requirements of FRS 121 "The effects of changes in foreign exchange rates" do apply to the hedged item. This IC is not expected to have a material impact on the Group's and Company's financial statements.

IC Interpretation 17 "Distribution of non-cash assets to owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable. This IC is not expected to have a material impact on the Group's or Company's financial statements.

IC Interpretation 18 "Transfers of assets from customers" (effective prospectively for assets received on or after 1 January 2011) provides guidance where an entity receives from a customer an item of property, plant and equipment (or cash to acquire such an asset) that the entity must then use to connect the customer to a network or to provide the customer with services. Where the transferred item meets the definition of an asset, the asset is recognised as an item of property, plant and equipment at its fair value. Revenue is recognised for each separate service performed in accordance with the recognition criteria of FRS 118 "Revenue". The Group and Company will apply this IC Interpretation prospectively from 1 January 2011. This IC is not expected to have a material impact on the Group's or Company's financial statements.

IC Interpretation 19 "Extinguishing financial liabilities with equity instruments" (effective from 1 July 2011) provides clarification when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. A gain or loss, being the difference between the carrying value of the financial liability and the fair value of the equity instruments issued, shall be recognised in the income statement. Entities are no longer permitted to reclassify the carrying value of the existing financial liability into equity with no gain or loss recognised in the income statement. This IC is not expected to have a material impact on the Group's or Company's financial statements.

Amendments to IC Interpretation 14 "FRS 119 - The limit on a defined benefit assets, minimum funding requirements and their interaction" (effective from 1 July 2011) permits an entity to recognise the prepayments of contributions as an asset, rather than an expense in circumstances when the entity is subject to a minimum funding requirement and makes an early payment of contributions to meet those requirements. This IC is not expected to have a material impact on Group's or Company's financial statements.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

The following amendments are part of the MASB's improvements project that are relevant and effective for annual periods beginning on or after 1 July 2010

Improvements to FRSs:

FRS 2 (effective from 1 July 2010) clarifies that contributions of a business on formation of a joint venture and common control transactions are outside the scope of FRS 2.

FRS 3 (effective from 1 January 2011)

Clarifies that the choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of the net assets in the event of liquidation. All other components of non-controlling interest are measured at fair value unless another measurement basis is required by FRS.

Clarifies that the amendments to FRS 7, FRS 132 and FRS 139 that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of FRS 3 (2010). Those contingent consideration arrangements are to be accounted for in accordance with the guidance in FRS 3 (2005).

FRS 5 "Non-current asset held for sale and discontinued operations" (effective from 1 July 2010) clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met.

FRS 101 "Presentation of financial statements" (effective from 1 January 2011) clarifies that an entity shall present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.

FRS 138 "Intangible Assets" (effective from 1 July 2010) clarifies that a group of complementary intangible assets acquired in a business combination may be recognised as a single asset if each asset has similar useful lives.

IC Interpretation 9 (effective from 1 July 2010) clarifies that this interpretation does not apply to embedded derivatives in contracts acquired in a business combination, businesses under common control or the formation of a joint venture.

The above mentioned Improvement to FRSs are not expected to have any material impact on the Group's and Company's financial statements.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

3. Auditors' report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Group's statutory financial statements for the financial year ended 31 December 2010 in their report dated 28 April 2011.

4. Seasonality of operations

AirAsia is primarily involved in the provision of air transportation services and thus, is subject to the seasonal demand for air travel. The seat load factor was 6 percentage points higher in the quarter under review against the same period last year. Compared against the immediate preceding quarter (fourth quarter October – December 2010), the seat load factor was 2 percentage points lower. This seasonal pattern is in line with the expectation of the Group.

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period-to-date.

6. Changes in estimates

There were no changes in estimates that have had material effect in the current quarter and financial period-to-date results.

7. Capital and reserves

During quarter ended 31 March 2011, the total issued and paid-up share capital of the Company increased from RM277,343,608 to RM277,551,608 from the issuance of 2,080,000 ordinary shares of RM0.10 each pursuant to the exercise of ESOS at the option price of RM1.08. Other than the above, there was no cancellation, repurchases, resale and repayment of debt and equity securities for the period ended 31 March 2011.

8. Dividend paid

There were no dividends paid in the quarter ended 31 March 2011.

9. Segment reporting

The Group operates a single reportable segment, that of Airline Operations.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

10. Revenue

	Quarter ended 31/03/2011 RM million	Quarter ended 31/03/2010 RM million
Passenger seat sales	713.2	626.3
Aircraft operating lease income	119.0	93.9
Surcharges and fees	-	9.5
Travel and tour operations	22.6	18.2
Other revenue	193.1	122.7
	1,047.9	870.6

Other revenue includes excess baggage, baggage handling fee, freight and cancellation, documentation and booking fees amounting to RM168.4 million (2010: RM104.3 million) for the Group and Company.

11. Other gains/(losses) - net

Other gains/(losses) – net comprise fair value changes due to movement in mark-to-market (MTM) position on non-designated hedging contracts at 31 March 2011 as compared to 31 December 2010, and are detailed below:

	Quarter ended 31/03/2011 RM million	Quarter ended 31/03/2010 RM million
(i) Gain / (loss) from fuel contracts	2.6	2.9
(ii) Gain / (loss) from foreign currency contracts	(2.4)	(7.5)
(v) Gain / (loss) from interest rate contracts	13.7	(16.6)
	13.9	(21.2)

The above gains and losses arise from the movement in exchange rates (principally RM:US$), interest rates and jet fuel prices relative to the contracted rate during the quarter.

The fair value of derivative financial instruments is determined by discounting future cash flows to present value.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

12. Other Comprehensive Income

Cash flow hedges represent fair value changes due to movement in MTM position on effective hedging contracts at 31 March 2011 as compared to 31 December 2010 as follows:

	Quarter ended 31/03/2011 RM million	Quarter ended 31/03/2010 RM million
(i) Fair value loss in the period	(58.7)	(132.4)
(i) Amount transferred to income statement	60.1	121.3
	1.4	(11.1)

Fair value changes in effective hedging contracts are recognized directly in equity and are transferred to the income statement in the same period as the underlying hedged item affects profit or loss.

13. Disclosure of Realised and Unrealised Profits

The cumulative retained profit of the Group and its subsidiaries comprises realized and unrealized profit as disclosed in the table below.

	As at 31/03/2011 RM million	As at 31/12/2010 RM million
Total retained profit of AirAsia Berhad and its subsidiaries		
(i) Realised	1,131,539	997,581
(i) Unrealised	1,159,126	1,121,156
	2,290,665	2,118,737
Total share of accumulated losses from associates		
(i) Realised	(4,112)	(4,112)
(i) Unrealised	-	-
	(4,112)	(4,112)
Total share of accumulated losses from jointly controlled entities		
(i) Realised	(12,054)	(12,054)
(i) Unrealised	-	-
	(12,054)	(12,054)
Total group retained profit as per consolidated accounts	**2,274,499**	**2,102,571**

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

14. Property, plant and equipment

(a) acquisition and disposals

During the quarter ended 31 March 2011, the Group acquired property, plant and equipment with a cost of RM226.5 million (quarter ended 31 March 2010: RM0.9 million).

During the quarter ended 31 March 2011, proceeds from the disposal of property, plant and equipment totalled RM21.3million (quarter ended 31 March 2010: RM Nil).

(b) valuation

There was no revaluation of property, plant and equipment for the quarter ended 31 March 2011.

15. Post balance sheet events

There were no material events after the period end that have not been reflected in the financial statements for the financial period ended 31 March 2011 as at the date of this report.

16. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter under review.

17. Contingent assets

As at the date of this report, the Group does not have any contingent assets.

18. Changes in contingent liabilities since the last annual balance sheet date

There were no material changes in contingent liabilities since the latest audited financial statements of the Group for the financial year ended 31 December 2010.

19. Capital commitments outstanding not provided for in the interim financial report

Capital commitments for property, plant and equipment:

	Group and Company	
	31/03/2011	31/03/2010
	RM'000	RM'000
Contracted for	11,755,591	15,837,592
Authorised but not contracted for	7,879,572	8,472,481
	19,635,163	24,310,073

20. Material related party transactions

Details of the relationship and transactions between AirAsia and its related parties are as described below. The related party transactions described were carried out on the terms and conditions obtainable in transactions with unrelated parties unless otherwise stated.

Name of company	Relationship
Thai AirAsia	A jointly controlled entity of the Company
PT Indonesia AirAsia	An associate of the Company
AirAsia X Sdn. Bhd.	An investment with common shareholders and directors of the Company

These following items have been included in the Income Statement.

	Group	
	Quarter ended 31/03/2011 RM'000	Quarter ended 31/03/2010 RM'000
Thai AirAsia		
- Lease rental income on aircraft	64,739	51,011
- Maintenance and overhaul charges	-	6,170
PT Indonesia AirAsia		
- Lease rental income on aircraft	54,238	42,952
- Maintenance and overhaul charges	1,577	3,972
AirAsia X Sdn. Bhd.		
- Services charged to AirAsia X Sdn Bhd	16,957	26,259

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

21. Review of performance

(A) Performance of current quarter against the same quarter last year for Malaysia

Quarter Ended: 31 March RM'000	Jan-Mar 2011	Jan-Mar 2010
Revenue	**1,047,941**	**870,605**
Operating expenses:		
- Staff costs	(118,532)	(90,429)
- Depreciation of property, plant and equipment	(141,136)	(116,738)
- Aircraft fuel expenses	(376,547)	(308,834)
- Maintenance, overhaul, user charges and other related expenses	(146,733)	(110,632)
- Aircraft operating lease expenses	(15,795)	(21,832)
- Travel and tour operating expenses	(17,933)	(15,195)
- Other operating expenses	(35,478)	(28,132)
Other (losses)/gains - net	13,862	(21,195)
Other income	32,070	7,436
Operating Profit	**241,719**	**165,054**
Finance Income	115,724	306,478
Finance Costs	(154,569)	(215,350)
Profit before tax	**202,874**	**256,182**
Current Taxation	(3,658)	(4,366)
Deferred taxation	(27,288)	(27,706)
Profit after tax	**171,928**	**224,110**
EBITDAR	398,650	303,624
EBITDAR Margin	38%	35%
EBIT Margin	23%	19%

The Group recorded revenue of RM1,047.9 million for the quarter ended 31 March 2011 (“1Q11”), 20% higher than the revenue of RM870.6 million recorded in the quarter ended 31 March 2010 (“1Q10”). The revenue growth was supported by 17% growth in passenger volume offset by an average fare that was 5% lower at RM164 as compared to RM173 achieved in 1Q10. Ancillary income per passenger year-on-year rose by 31% to RM50 from RM38. Seat load factor was 6 percentage points higher at 80% compared to 74% in the same period last year.

The profit after tax for the period was RM171.9 million compared to RM224.1million in the same quarter of 2010.

(B) Cashflow commentary for current quarter against immediately preceding quarter

Net Cash Flow (RM'000)	Jan-Mar 2011	Oct-Dec 2010
Cash from Operations	454,186	1,140,096
Cash from Investing Activities	(210,433)	(1,164,243)
Cash from Financing Activities	44,951	666,999
Net Cash Flow	**288,704**	**642,852**

The Group's cash from operations was RM454.2 million, compared to RM1,140.1 million in the immediate preceding quarter ended December 2010. Net cash flow in the quarter amounted to RM288.7 million, as cash generated from operations exceeded investing cash flows.

(C) Balance sheet commentary for current quarter

Balance Sheet RM million	Jan-Mar 2011	Oct-Dec 2010
Total Debt	7,770	7,857
Cash	1,794	1,501
Net Debt	**5,976**	**6,356**
Net Gearing	1.57	1.75

The Group's total debt as of end of 31 March 2011 was RM7,770 million. The Group's net debt after offsetting the cash balances amounted to RM5,976 million. This translates to a net gearing ratio of 1.57 times, 10% lower than the immediately preceding quarter.

22. Jointly Controlled Entity and Associate Company

i) Jointly Controlled Entity - AirAsia Thailand

AirAsia Thailand is a joint venture company owned 49% by AirAsia Berhad. As such it is accounted for using the equity method, as permitted by the Malaysian Accounting

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

Standards Board FRS131, Interests in Joint Ventures. As the Group's interest in AirAsia Thailand has been reduced to zero no additional losses are provided for, and the Group will only resume recognizing its share of profits only after its share of profits equals the share of losses not recognized.

AirAsia Thailand recorded revenue of THB4,086.3 million in 1Q11, 33% higher compared to the THB3,065.6 million achieved in 1Q10. The positive growth in revenue is attributed to higher passenger volume, a higher contribution from ancillary income and improving yields. AirAsia Thailand has achieved passenger growth of 23% as compared to 1Q10 while the seat load factor was higher by 3 percentage points at 84%. Average base fare was higher by 5% at THB1,885 as compared to THB1,800 achieved in 1Q10.

AirAsia Thailand's achieved a net profit of THB811.4 million in 1Q11, a 30% improvement over the THB622.8 million profit in 1Q10.

(A) Performance indicator for Thailand operations for current quarter against the same quarter last year

Quarter Ended: 31 March	Jan-Mar 2011	Jan-Mar 2010	Change y-o-y
Passengers Carried	1,817,485	1,481,111	23%
Capacity	2,154,780	1,836,101	17%
Seat Load Factor	84%	81%	3 ppt
ASK (million)	2,261	1,914	18%
RPK (million)	1,906	1,544	23%
Average Fare (THB)	1,885	1,800	5%
Ancillary Income per pax (THB)	368	274	34%
Unit Passenger Revenue (THB)	2,253	2,073	9%
Rev / ASK (THB)	1.81	1.60	13%
Rev / ASK (US cents)	5.92	5.24	13%
Cost / ASK (THB)	1.43	1.37	5%
Cost / ASK (US cents)	4.69	4.47	5%
Cost / ASK-ex fuel (THB)	0.84	0.85	-2%
Cost / ASK-ex fuel (US cents)	2.74	2.79	-2%
Aircraft (average)	19	20	-5%
Aircraft (end of period)	20	19	5%
Average Stage Length (km)	1,049	1,031	2%
Number of Flights	11,971	10,802	11%
Fuel Consumed (barrels)	399,816	347,145	15%
Average Fuel Price (US$/barrel)	117.8	96.9	22%

Exchange Rate: THB:USD – 30.54, prior year US cents figures are restated at current exchange rate.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

(B) Performance of current quarter against the same quarter last year for Thailand

Quarter Ended: 31 March THB'000	Jan-Mar 2011	Jan-Mar 2010
Revenue	**4,086,332**	**3,065,609**
Operating expenses:		
- Staff costs	(332,885)	(256,026)
- Depreciation of property, plant and equipment	(15,890)	(31,167)
- Aircraft fuel expenses	(1,438,773)	(1,026,880)
- Maintenance, overhaul, user charges and other related expenses	(763,358)	(736,430)
- Aircraft operating lease expenses	(655,156)	(500,513)
- Travel and tour operating expenses	-	-
- Other operating expenses	(124,439)	(105,579)
Other (losses)/gains - net	-	-
Other income	93,458	42,727
Operating Profit	**849,289**	**451,741**
Finance Income	(16,916)	172,432
Finance Costs	(20,318)	(673)
		-
Profit before tax	**812,055**	**623,500**
		-
Taxation	(693)	(638)
Profit after tax	**811,362**	**622,862**
EBITDAR	1,520,335	983,421
EBITDAR Margin	37%	32%
EBIT Margin	21%	15%

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

(C) Balance Sheet

Quarter Ended: 31 March THB 000's	Mar 2011	Dec 2010
Property, Plant & Equipment	289,769	287,660
Work In Progress	5,552	8,106
Deferred Expenditure	0	1
Inventory	6,947	6,390
Other Debtors & Prepayments	1,042,512	1,100,273
Cash & Short Term Deposits	699,856	566,958
Total Assets	**2,044,637**	**1,969,388**
Sales In Advance	2,296,826	2,211,635
Other Creditors & Accruals	485,660	620,102
Amounts Owing to Related Party	881,576	1,568,439
Total Liabilities	**3,664,062**	**4,400,176**
Share Capital	400,000	400,000
Share Premium	1,228	1,228
Retained Earnings	(2,020,653)	(2,832,015)
Total Equity	**(1,619,425)**	**(2,430,787)**

ii) Associate Company - AirAsia Indonesia

AirAsia Indonesia is an associate company owned 49% by AirAsia Berhad. As such it is accounted for using the equity method, as permitted by the Malaysian Accounting Standards Board FRS128, Investments in Associates. As the Group's interest in AirAsia Indonesia has been reduced to zero no additional losses are provided for, and the Group will only resume recognizing its share of profits only after its share of profits equals the share of losses not recognized.

Indonesia AirAsia recorded revenue of IDR774.8 billion in 1Q11, 38% higher as compared to the IDR563.5 billion achieved in 1Q10. The positive growth in revenue can be attributed to higher passenger volumes, improved contribution from ancillary income per passenger which increased by 57% and higher base fares which rose by 12% over the same quarter in 2010. Passengers carried by AirAsia Indonesia increased by 22% year on year and the seat load factor rose to 79% from 72% a year before as passenger growth outstripped capacity growth.

The Indonesian operations produced a profit after tax of IDR31.9 billion in 1Q11, compared to the IDR4.6 billion profit recorded in the same quarter of 2010.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

(A) Performance indicator for Indonesia operations for current quarter against the same quarter last year

Quarter Ended: 31 March	Jan-Mar 2011	Jan-Mar 2010	Change y-o-y
Passengers Carried	1,093,643	893,381	22%
Capacity	1,388,588	1,234,492	12%
Seat Load Factor	79%	72%	7 ppt
ASK (million)	1,953	1,569	24%
RPK (million)	1,511	1,136	33%
Average Fare (IDR)	556,448	496,511	12%
Ancillary Income per pax (IDR)	152,052	96,666	57%
Unit Passenger Revenue (IDR)	708,500	593,177	19%
Rev / ASK (IDR)	396.71	359.12	10%
Rev / ASK (US cents)	4.45	4.03	10%
Cost / ASK (IDR)	392.20	349.80	12%
Cost / ASK (US cents)	4.40	3.93	12%
Cost / ASK-ex fuel (IDR)	223.45	194.90	15%
Cost / ASK-ex fuel (US cents)	2.51	2.19	15%
Aircraft (average)	19	14	33%
Aircraft (end of period)	20	16	25%
Average Stage Length (km)	1,407	1,269	11%
Number of Flights	7,911	7,213	10%
Fuel Consumed (barrels)	320,970	259,980	23%
Average Fuel Price (US$/barrel)	117.6	100.4	17%

Exchange Rate: USD:IDR – 8,906, prior year US cents figures are restated at current exchange rate.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

(B) Performance of current quarter against the same quarter last year for Indonesia

Quarter Ended: 31 March IDR million	Jan-Mar 2011	Jan-Mar 2010
Revenue	**774,846**	**563,502**
Operating expenses:		
- Staff costs	(87,728)	(72,694)
- Depreciation	(4,894)	(4,265)
- Aircraft fuel expenses	(336,051)	(244,036)
- Aircraft operating lease expense	(157,672)	(118,347)
- Maintenance, overhaul, user charges and other related expenses	(165,228)	(97,072)
- Travel and tour operating expenses	-	-
- Other operating expenses	(20,878)	(13,444)
Other (losses)/gains - net	-	-
Other income	6,414	981
Operating Profit	**8,809**	**14,625**
Finance Income	35,032	10,148
Finance Costs	(11,898)	(20,133)
Profit before tax	**31,943**	**4,640**
Taxation	-	-
Profit after tax	**31,943**	**4,640**
EBITDAR	171,375	137,237
EBITDAR Margin	22%	24%
EBIT Margin	1%	3%

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

(C) Balance Sheet

Quarter Ended: 31 March IDR m	Mar 2011	Dec 2010
Property, Plant & Equipment	101,976	102,976
Work In Progress	228	775
Deferred Expenditure	1,206	1,609
Inventory	3,699	3,834
Other Debtors & Prepayments	14,794	36,042
Cash & Short Term Deposits	122,097	40,403
Total Assets	**244,001**	**185,639**
Sales In Advance	494,871	440,251
Other Creditors & Accruals	339,932	250,691
Amounts Owing to Related Party	555,449	672,890
Borrowings	138,974	138,974
Total Liabilities	**1,529,225**	**1,502,806**
Share Capital	180,000	180,000
Share Premium	-	-
Retained Earnings	(1,465,224)	(1,497,167)
Total Equity	**(1,285,224)**	**(1,317,167)**

iii) Unrecognised share of profits/(losses) in jointly controlled entity and associate company.

FRS 128 states that interest in an associate is defined as "the carrying amount of the investment in the associate under the equity method together with any long-term interests that, in substance, form part of the investor's net investment in the associate". On this basis, the share of losses of the investment in associate was equity accounted for by the Group and limited to the Group's investment in the ordinary share capital of the associate.

	Unrecognised share of net profit / (loss) for the Quarter ended 31/03/2011 RM'Million	Unrecognised share of net profit / (loss) as of 31/12/2010 RM'Million
Thai AirAsia	39.7	(127.8)
Indonesia AirAsia	5.3	(196.6)

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

23. Variation of results against preceding quarter

The Group achieved a profit after taxation of RM171.9 million for the quarter under review. This is lower by RM144.7 million compared to the RM316.6 million profit after taxation achieved in the immediately preceding quarter ended 31 December 2010.

24. Commentary on prospects

Based on the current forward booking trend, the underlying passenger demand in the second quarter for the Malaysian, Thai and Indonesian operations remains positive. Load factors achieved in the month of April were ahead of the prior year for all three carriers, with average fares higher in Thailand and Indonesia and slightly behind the prior year for the Malaysian operations.

In Malaysia, forward loads for the remaining months of the second quarter and beyond remain ahead of the prior year, indicating that demand remains strong. Passenger numbers are expected to continue increasing ahead of capacity growth, while new sources of ancillary income will maintain yields in combination with improved load factors.

In Thailand, demand is growing at a stronger than ever rate for both domestic and international sectors. The new hub in Chiang Mai is performing well and operating new routes where demand has exceeded expectations. Performance for the rest of the year is expected to remain good driven by higher loads and yields, though these will be tempered by the higher average fuel prices expected in the second quarter.

In Indonesia, the next quarter will see the launch of Airbus A320 operations from Bandung which will improve brand awareness of AirAsia at the Bandung hub. The Medan hub is also exhibiting strong growth, while the abolition of the travel tax for Indonesians flying abroad continues to boost demand on international sectors.

The Group will not take delivery any A320 aircraft in the second quarter of the year. Three deliveries will made in the third quarter and four in the final quarter of the year, of which three will be deployed in Malaysia, two in Thailand and two in the Philippines. Two new routes are planned across the network in the second quarter of the year, in combination with additions and reductions in frequency on existing routes, while in the third and fourth quarters of the year there will be three new routes operated out of Malaysia, two from Thailand and five from the Philippines, if all regulatory approvals are received as anticipated.

The outlook for the second quarter and beyond should be seen in the context of the recent volatility in the price of oil and aviation fuel. To mitigate the impact of higher fuel prices AirAsia introduced a fuel surcharge with effect 3 May 2011 and the Company will continue to closely monitor fuel price movements. The introduction of a fuel surcharge is expected to significantly offset any effect of higher fuel prices in the second half of the year, but in the second quarter it is not expected to fully offset higher fuel costs.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

However, barring any unforeseen circumstances, the Directors remain positive with the prospects of the Group for the second quarter of 2011, and for the rest of the year.

25. Profit forecast

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest are not applicable for the current quarter and financial year-to-date.

26. Finance Income/(Cost)

	Group and Company			
All figures in RM'000	**Quarter Ended 31/03/11**	**Quarter Ended 31/03/10**	**Year to Date 31/03/11**	**Year to Date 31/03/10**
Finance Income				
Interest on amounts due from associates and JV entities	10,170	16,208	10,170	16,208
Interest on deposits	4,500	3,007	4,500	3,007
Foreign exchange gains - net	101,054	287,263	101,054	287,263
	115,724	**306,478**	**115,724**	**306,478**
Finance Costs				
Fair value losses on derivative financial instruments	(60,080)	(121,277)	(60,080)	(121,277)
Bank borrowings	(92,088)	(91,596)	(92,088)	(91,596)
Amortisation of premiums	(1,964)	(1,732)	(1,964)	(1,732)
Hire purchase payables	(2)	(3)	(2)	(3)
Bank facilities and other charges	(435)	(742)	(435)	(742)
	(154,569)	**(215,350)**	**(154,569)**	**(215,350)**
Net Finance (Cost) / Income	**(38,845)**	**91,128**	**(38,845)**	**91,128**

27. Exceptional item

There were no exceptional items in the quarter under review.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

28. Income tax expense

Current taxation
The current taxation charge of RM3.7 million comprises tax payable on interest income and taxes applicable in foreign branches.

Deferred taxation
The RM27.3 million deferred tax charge arises from the net of RM68.7 million deferred tax liabilities and RM41.4 million of deferred tax assets recognized during the period. The deferred tax liabilities arose as the difference between the net book value and tax written down value of property plant and equipment increased in the period a result of capital allowances granted offset by depreciation. The deferred tax assets arose from capital allowances granted in the period but which remained unutilized.

29. Unquoted investments and properties

There was no sale of unquoted investments or properties for the quarter under review and financial period to date.

30. Quoted investments and properties

There was no purchase or disposal of quoted securities for the quarter under review and financial period to date.

31. Status of corporate proposals announced

Vietnam Joint Venture
In Vietnam discussions are now progressing towards the completion of the Share Purchase Agreement and the Shareholders Agreement, subsequent to which the first commercial flight for the new Joint Venture Company is expected towards the end of the year.

Philippines Joint Venture
In the Philippines, AirAsia and its Philippines counterparts, through a Joint Venture entity known as AirAsia Inc. ("JV"), are working towards obtaining the necessary regulatory approvals for the operations of the JV with the aim of launching the first commercial flight in the third quarter of the year. The process includes applying for the Air Operators Certificate and the Certificate of Public Convenience and Necessity expected to be completed within a period of between three to four months.

Expedia Inc Joint Venture
For the recently announced Joint Venture with Expedia Inc, both parties are progressing towards the completion of the transaction and the incorporation of the Joint Venture Company in Singapore. Concurrently, both Expedia and AirAsia are seeking preferential tax status from the Singapore tax authorities for the benefit of the Joint Venture Company.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

32. Borrowings and debt securities

	At 31/03/2011 RM'000	At 31/03/2010 RM'000
Current	556,231	521,185
Non-current	7,213,519	6,665,778
Total Debt	**7,769,750**	**7,186,963**

The borrowings are mainly in the form of term loans which are for the purchase of new Airbus A320-200 aircraft.

The maturity period of non-current borrowing is 14 years and below. Borrowings are denominated in US Dollar (predominantly), RM and Euro. The Company has substantially hedged its foreign exchange exposure through foreign exchange contracts as explained in Note 33 (i).

The Company's aircraft financing facilities are principally secured by the following types of security:

(a) Assignment of rights under contract with Airbus over each aircraft

(b) Assignment of insurance and reinsurances of each aircraft

(c) Assignment of airframe and engine warranties of each aircraft

(d) Mortgage of the aircraft

(e) Deregistration Power of Attorney

33. Derivative Financial Instruments:

The fair value of derivative financial instruments is determined in accordance with FRS139 "Financial Instruments: Recognition and Measurement"

(i) Forward Foreign Exchange Contracts
As at 31 March 2011, the Group has hedged approximately 46% of its dollar liabilities pertaining to its aircraft, engine and simulator loans into Malaysian Ringgit ("MYR") by using long dated foreign exchange forward contracts. The calculation includes loans for aircraft deployed to Thai AirAsia and Indonesia AirAsia where AirAsia receives lease payments in USD. However, if the calculation is based on loans pertaining to aircraft being

deployed to Malaysia, approximately 70% of the loans are hedged from USD into MYR. The latest weighted average foreign forward exchange rate is at 3.2399 USD:MYR.

(ii) Interest Rate Hedging
The Group has entered into interest rate hedging transactions to hedge against fluctuations in the US$ Libor on its existing aircraft financing for aircraft delivering from 2005 to 2011. As at 31 March 2011, the Group has hedged all its existing floating aircraft loans at the strike rates between 3.25% and 5.20% via interest rate swaps, interest rate caps and cross-currency swaps.

(iii) Fuel Hedging
As at 31 March 2011, the Group has entered into West Texas Intermediate ("WTI") fixed swap which represents an up to 9% of the Group's total expected fuel volumes for second quarter of 2011.

Derivative financial instruments

Type of derivatives	Notional Value as at 31/03/2011	Fair Value as at 31/03/2011 Assets/(Liabilities)
(i) Fuel contract	Barrels (million)	RM (million)
- less than 1 year	0.1	2.6
- 1 year to 3 years	-	-
Total	**-**	**-**
	RM (million)	RM (million)
(ii) Interest rate contracts		
- less than 1 year	-	-
- 1 year to 3 years	-	-
- more than 3 years	3,202.5	(269.7)
Total	**3,202.5**	**(269.7)**
(iii) Foreign currency contracts	RM (million)	RM (million)
- less than 1 year	-	-
- 1 year to 3 years	-	-
- more than 3 years	3,920.0	(205.0)
Total	**3,920.0**	**(205.0)**

The related accounting policies, cash requirements of the derivatives, risks associated with the derivatives and policies to mitigate those risks are unchanged since the last financial year.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

34. Material litigation

As at 24 May, there was no material litigation against the Group.

35. Proposed dividend

The Directors do not recommend any dividend for the quarter ended 31 March 2011.

36. Earnings per share

(a) Basic earnings per share
Basic earnings per share of the Group are calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31/03/10	**Preceding Quarter Ended 31/03/10**	**Current Year to Date 31/03/10**	**Preceding Year to Date 31/03/10**
Net profit for the financial period (RM'000)	171,928	224,110	171,928	224,110
Weighted average number of ordinary shares in issue for basic EPS ('000)	2,775,190	2,457,352	2,775,190	2,457,352
Adjusted for share options granted ('000)	5,068	5,753	5,068	5,753
Adjusted weighted average number of ordinary shares ('000)	2,780,258	2,463,105	2,780,258	2,463,105
Basic earnings per share (sen)	6.2	9.1	6.2	9.1
Diluted earnings per share (sen)	6.2	9.1	6.2	9.1

(b) Diluted earnings per share

The Group has no dilution in its earnings per share in the current quarter as there is no dilutive potential.

NOTES TO THE UNAUDITED ACCOUNTS – 31 March 2011

37. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.

By order of the Board

JASMINDAR KAUR a/p SARBAN SINGH

(MAICSA 7002687)
COMPANY SECRETARY
24 May 2011