



Media Statement

Dear **Media**,

We have received numerous queries and requests for more details in the wake of the reports regarding the establishment of a regional office in Jakarta, Indonesia. It is unfortunate that some sections of the media have reported incorrectly that we are moving our "corporate headquarters" to Jakarta.

Let us clarify: The office in Jakarta is to be called AirAsia Asean, an entity set up under the aegis of AirAsia. The main goal of AirAsia Asean is to serve as a representative office for AirAsia in our efforts to broaden our branding as a "Truly ASEAN" airline and extend our outreach to various groups in the region in regards to aviation policies within ASEAN.

As AirAsia grows and expands within the region, and in keeping with our own philosophy of the ASEAN region as our base, we have found that it is imperative we engage with all parties interested in aviation and tourism throughout the region. Hence, AirAsia Asean's mandate is to engage closely with the governments, non-governmental organisations and the media in ASEAN to put forward our ideas regarding the growth of the tourism industry and aviation policies in this region we all call home.

The decision to locate this representative office in Jakarta is based solely on this rationale. As mentioned by AirAsia Group CEO Tan Sri Tony Fernandes in Tokyo on July 21, AirAsia Asean is to set up office in Jakarta because the "ASEAN Secretariat is based in Jakarta" and a regional office there would help AirAsia present its ideas regarding regional aviation and tourism growth much more effectively. This is particularly relevant at this time given that Indonesia is currently the chairman of ASEAN and is firmly committed to implementing the provisions of the ASEAN Connectivity initiative.

Also, Indonesia's growth trajectory indicates it is set to increase its share of Asean's GDP in the years to come, and AirAsia is but merely moving ahead of the curve in locating AirAsia Asean in Jakarta to help increase our visibility and profile in the region's most-populated nation. This is particularly relevant at this time with AirAsia Indonesia heading for a listing on the Indonesian stock exchange. We believe that having our Asean representative office in Jakarta will also help our Group coordinate more effectively with the Indonesian authorities and interact more closely with the 240-million people in that archipelagic nation to better serve them in their increasing need for affordable and convenient air travel.

It is incorrect to say, or imply, that AirAsia Berhad is moving its "corporate headquarters" from Malaysia to Indonesia. AirAsia Berhad's headquarters will continue to be located where it is -- the mezzanine floor of the Low-Cost Carrier Terminal in Sepang. There are absolutely no plans, nor the inclination, to move the headquarters of this Malaysian-incorporated company out of the country. And our Malaysian-registered fleet of aircraft will continue to operate from the LCCT.

In fact, we are of the firm conviction that AirAsia Asean's outreach efforts from Jakarta can eventually benefit not just the aviation and tourism industries in the region, but also help AirAsia boost the economies of all ASEAN countries -- with Malaysia, in particular, gaining substantially given the increasing connectivity established by AirAsia from our LCCT hub in Sepang.

Thank you.

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