AirAsia X Berhad

Fourth Quarter and Full Year 2013 Results

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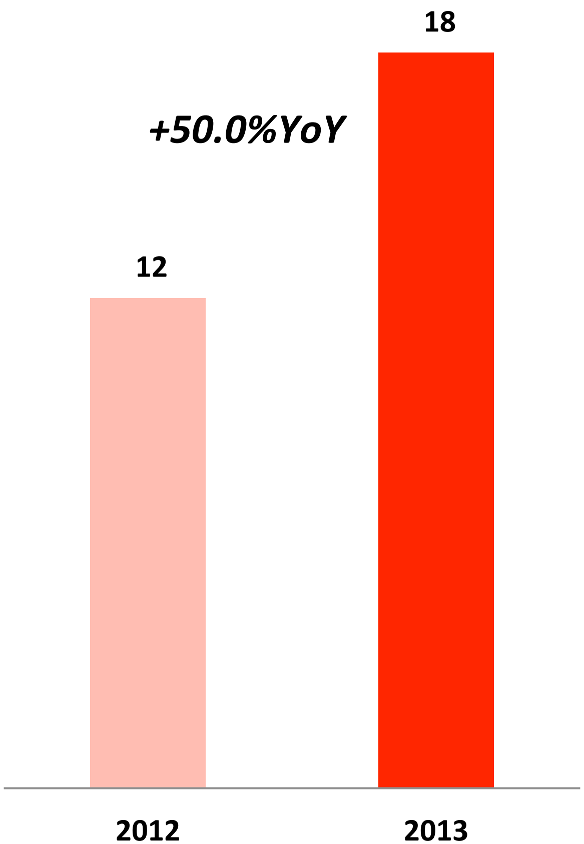
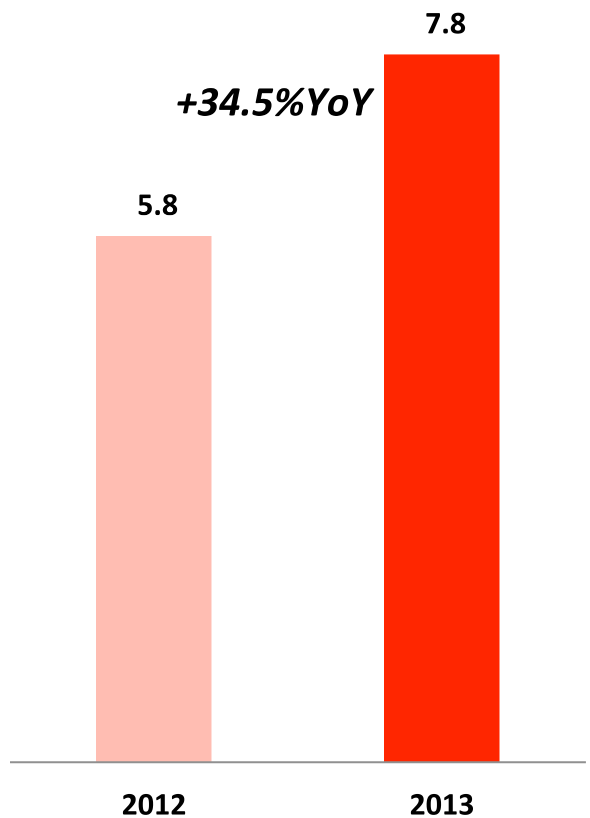
FY2013 – Key Operating Highlights

12-month ended 31 December 2013

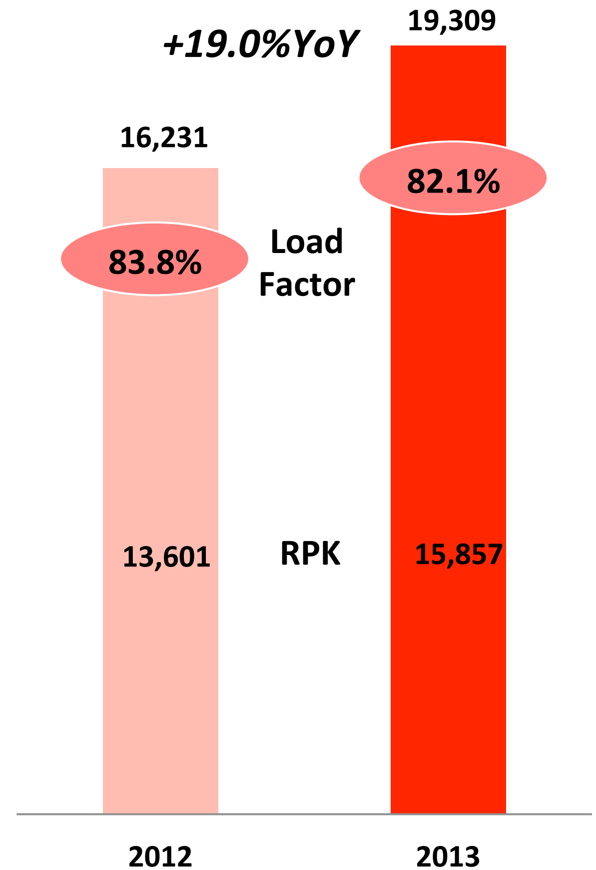
NETWORK CONSOLIDATION



NUMBER OF ROUTES



AVERAGE WEEKLY FREQUENCY

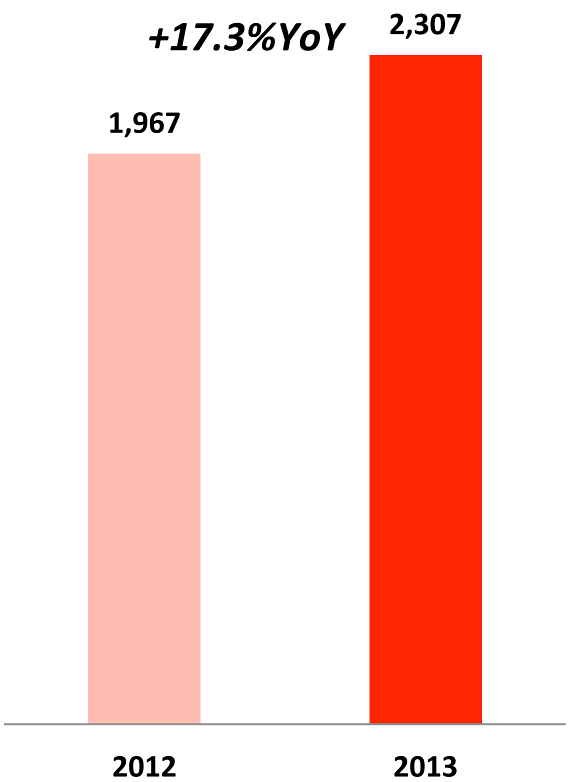


ASK (mil)

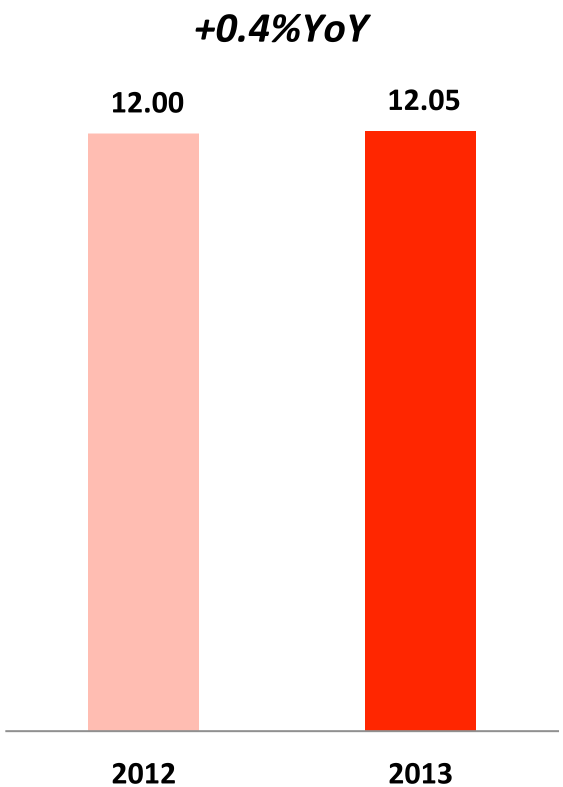
FY2013 – Key Financial Highlights

12-month ended 31 December 2013

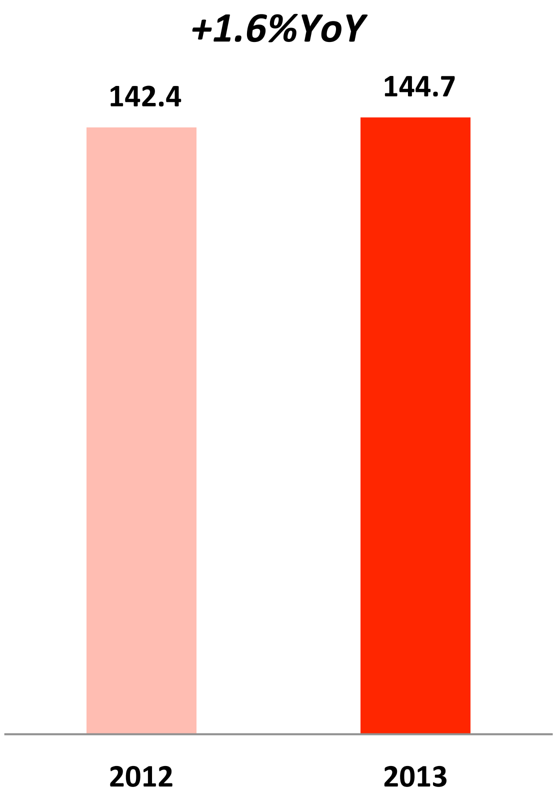
TOPLINE GROWTH



REVENUE (RM mil)



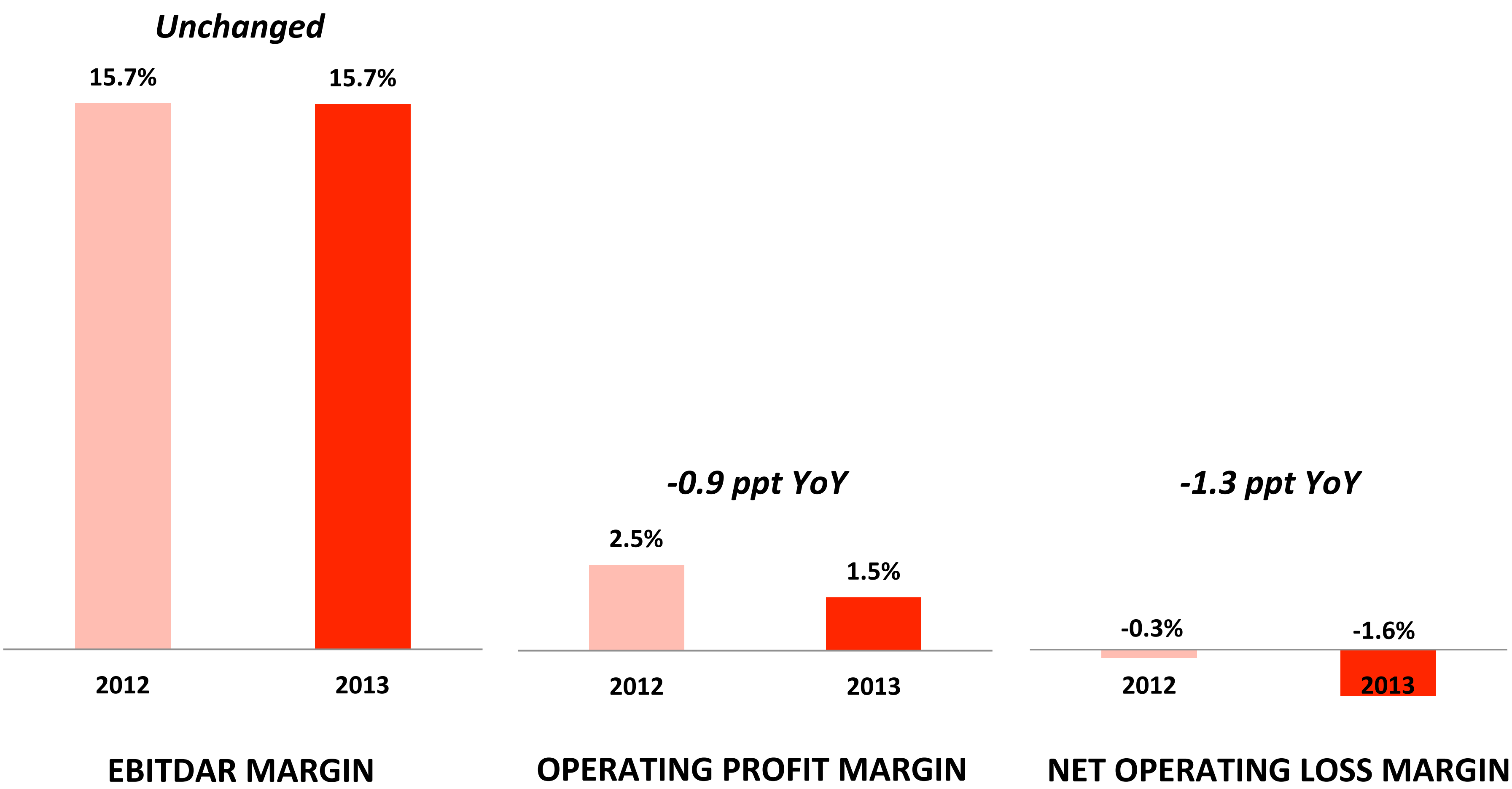
RASK (sen)



ANCILLARY REVENUE PER PAX (RM)

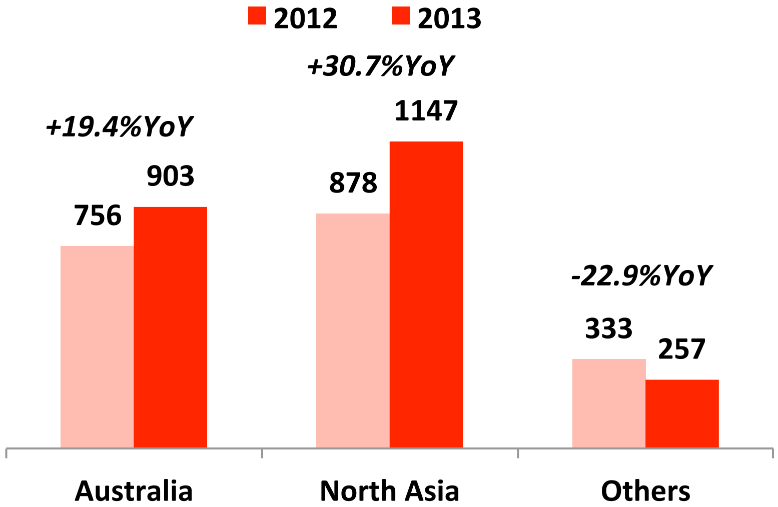
FY2013 – Key Financial Highlights
12-month ended 31 December 2013

MARGINS

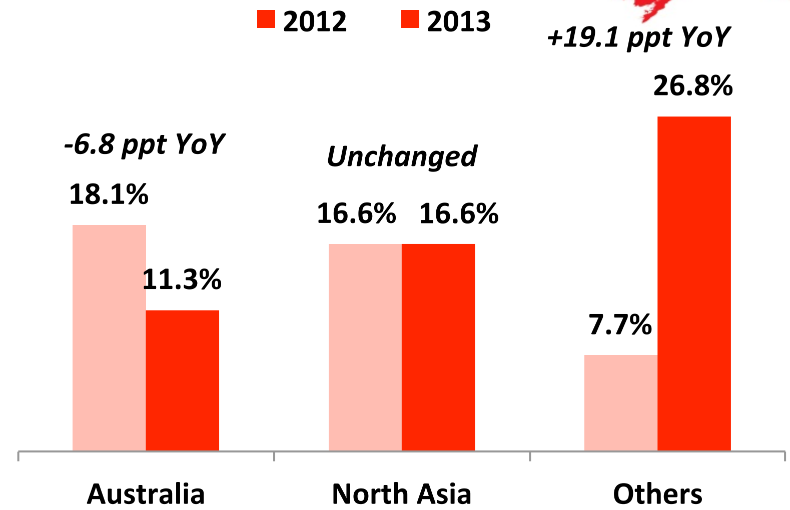


FY2013 – Segment Profitability

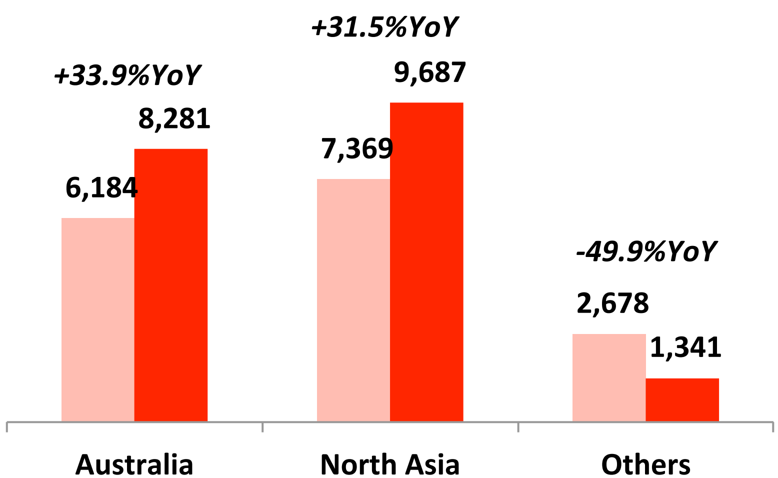
12-month ended 31 December 2013



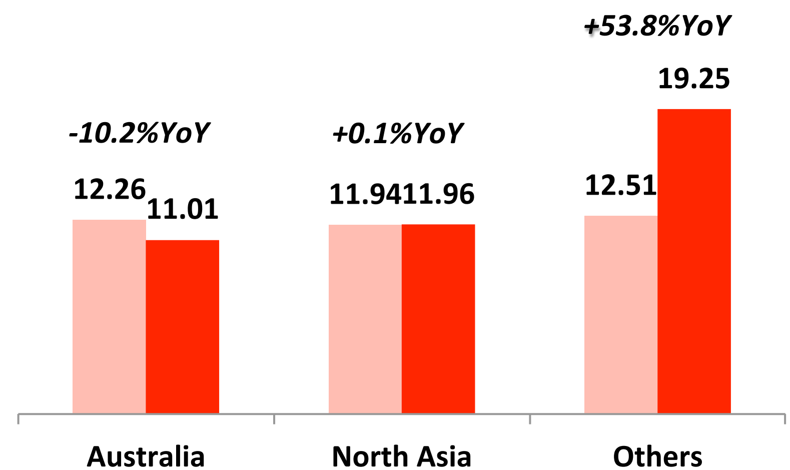
REVENUE (RM mil)



EBITDAR MARGIN



ASK (mil)



RASK (sen)

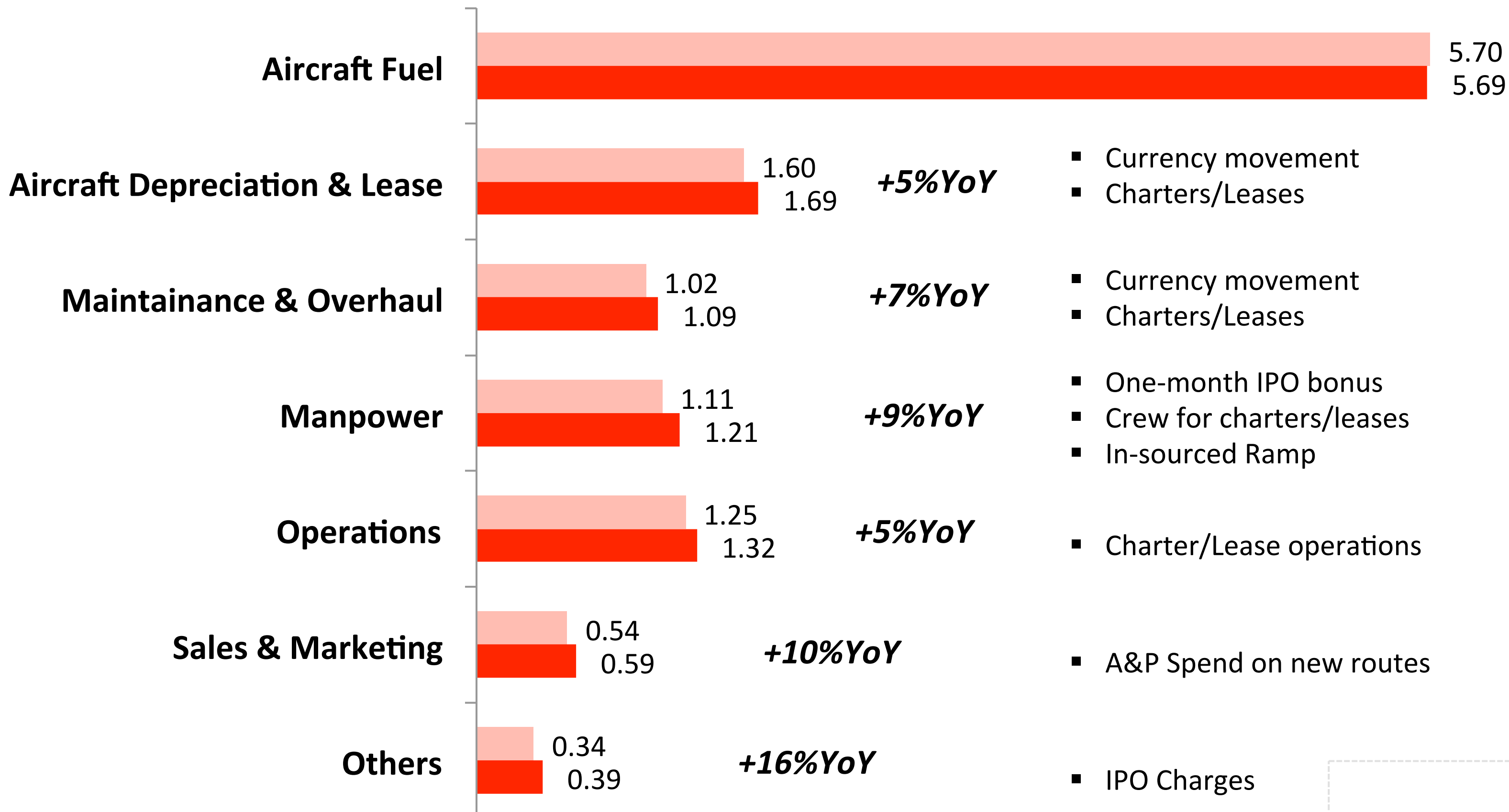
Others includes the discontinued routes- India, New Zealand, and Europe in FY2012.

FY2013 – Operating Expenditure

12-month ended 31 December 2013

CASK (RM sen)

Total CASK FY12: 11.56sen
Total CASK FY13: 11.98sen ***+3.6%YoY***



- Aircraft Fuel: ***Unchanged***
- Aircraft Depreciation & Lease: ***+5%YoY***
  - Currency movement
  - Charters/Leases
- Maintainance & Overhaul: ***+7%YoY***
  - Currency movement
  - Charters/Leases
- Manpower: ***+9%YoY***
  - One-month IPO bonus
  - Crew for charters/leases
  - In-sourced Ramp
- Operations: ***+5%YoY***
  - Charter/Lease operations
- Sales & Marketing: ***+10%YoY***
  - A&P Spend on new routes
- Others: ***+16%YoY***
  - IPO Charges

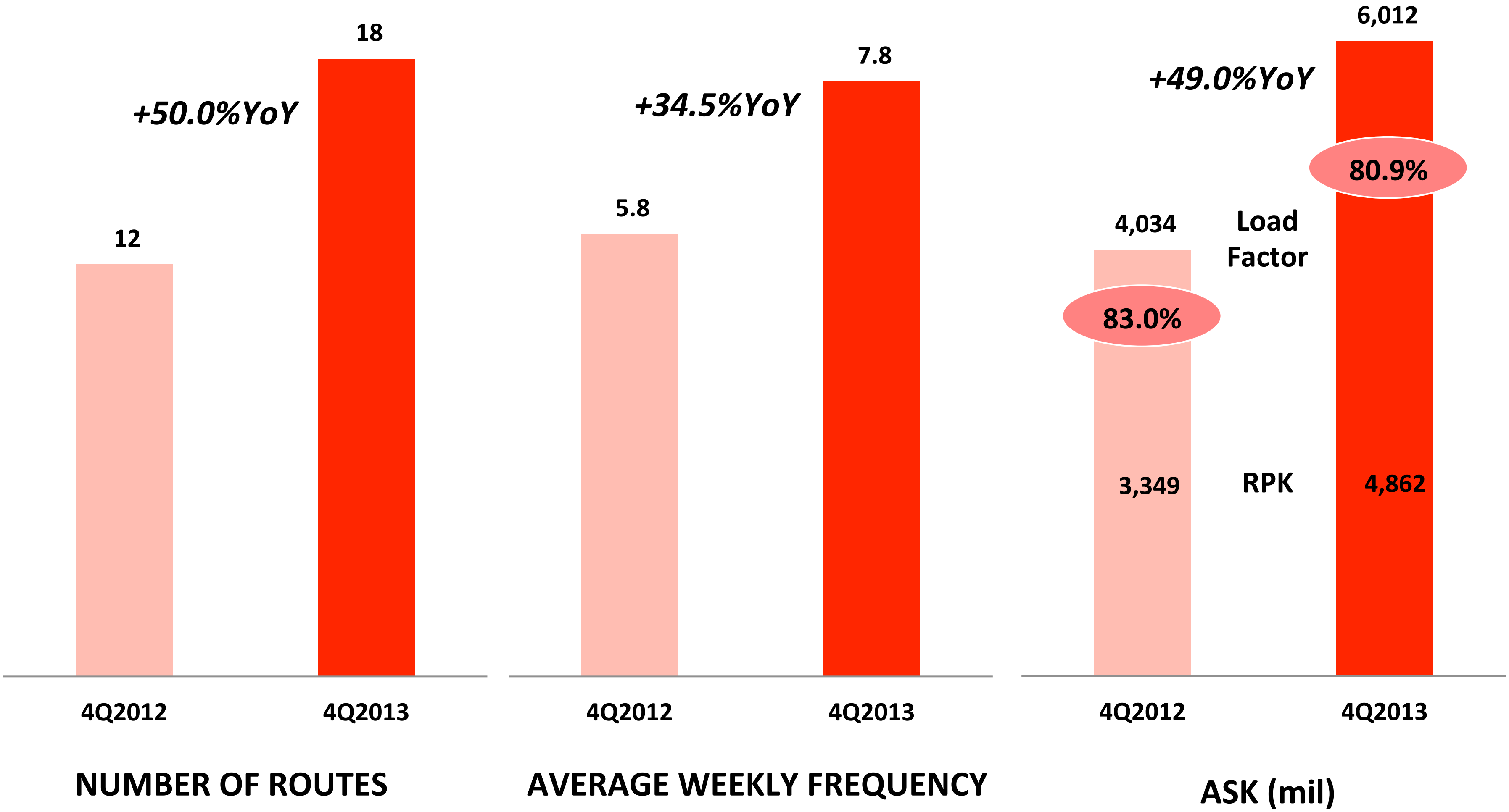
Operations: User Charges and Stations, Inflight, Ramp and Other Operating Expenses
Others: Insurance, Fees, Admin and Other Expenses

4Q13 Key Operating & Financial Highlights

4Q13 – Key Operating Highlights

3-month ended 31 December 2013

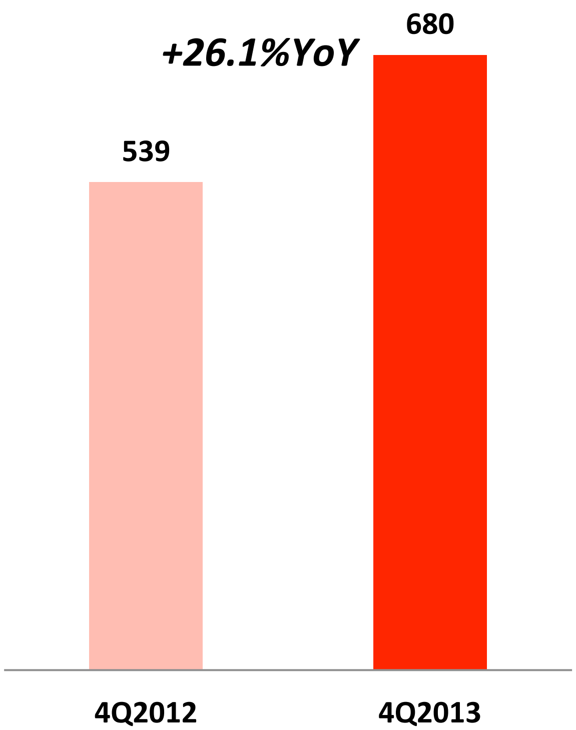
NETWORK CONSOLIDATION



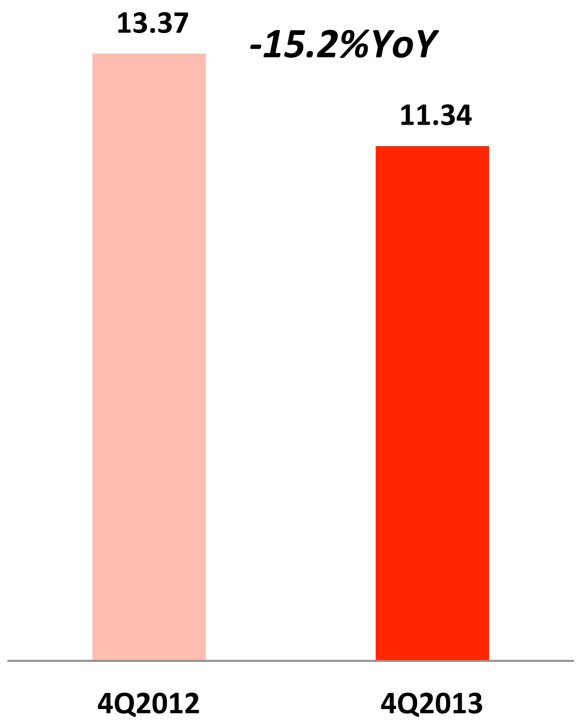
4Q13 – Key Financial Highlights

3-month ended 31 December 2013

TOPLINE GROWTH



REVENUE (RM mil)



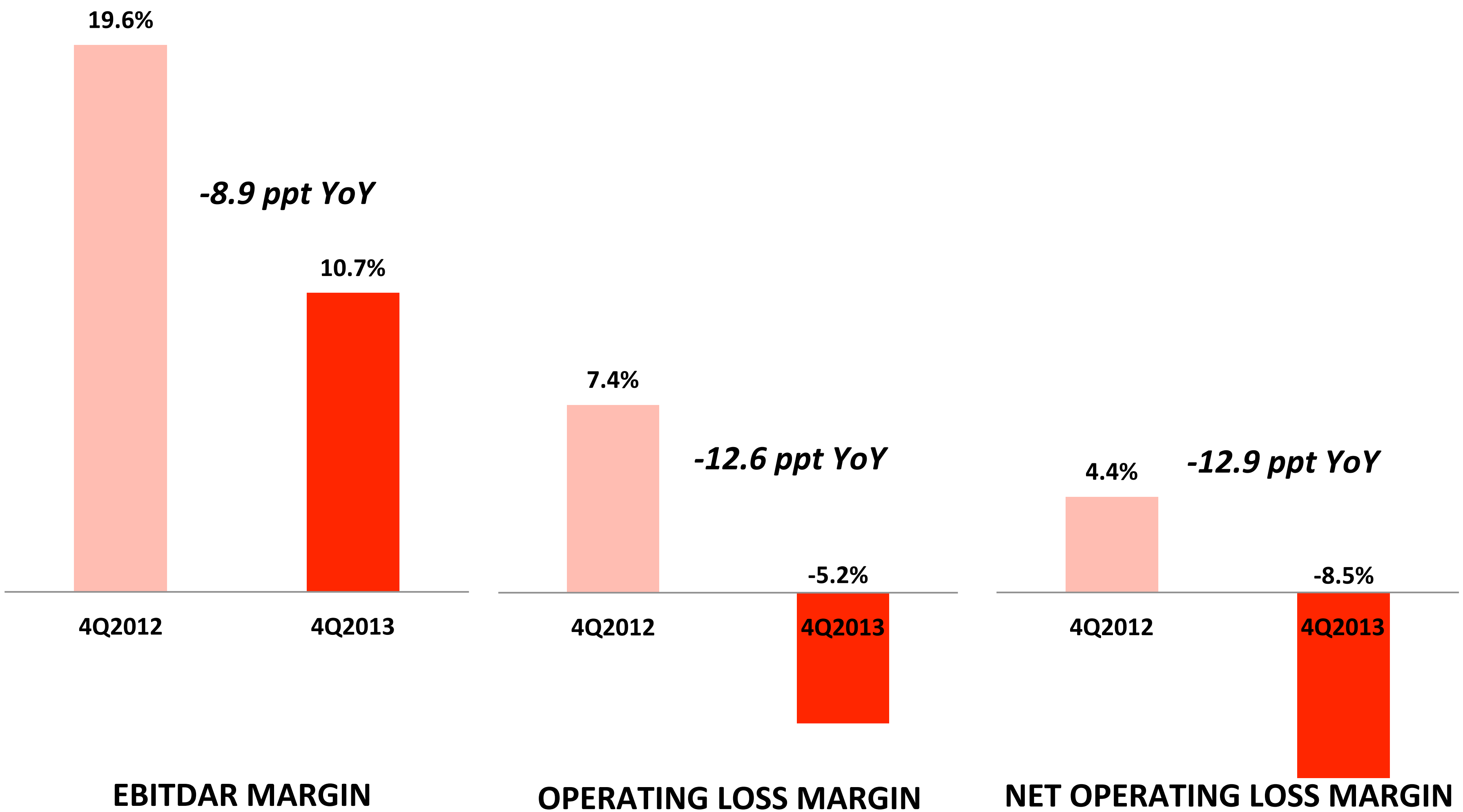
RASK (sen)

ANCILLARY REVENUE PER PAX (RM)

4Q13 – Key Financial Highlights

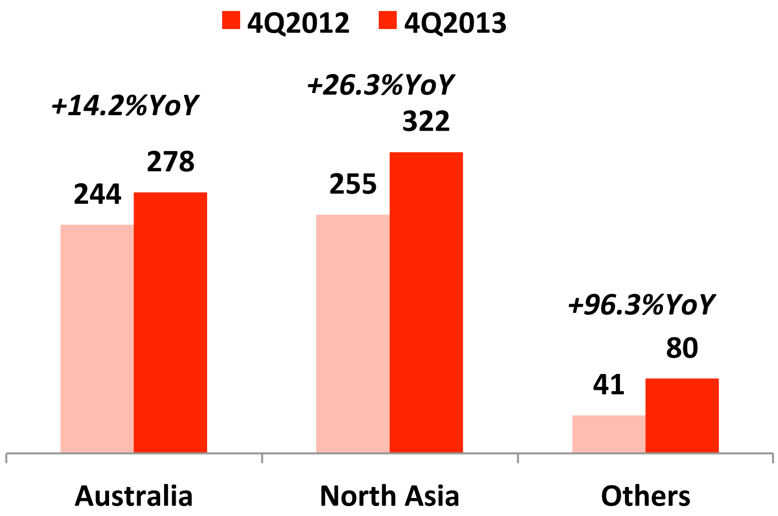
3-month ended 31 December 2013

MARGINS

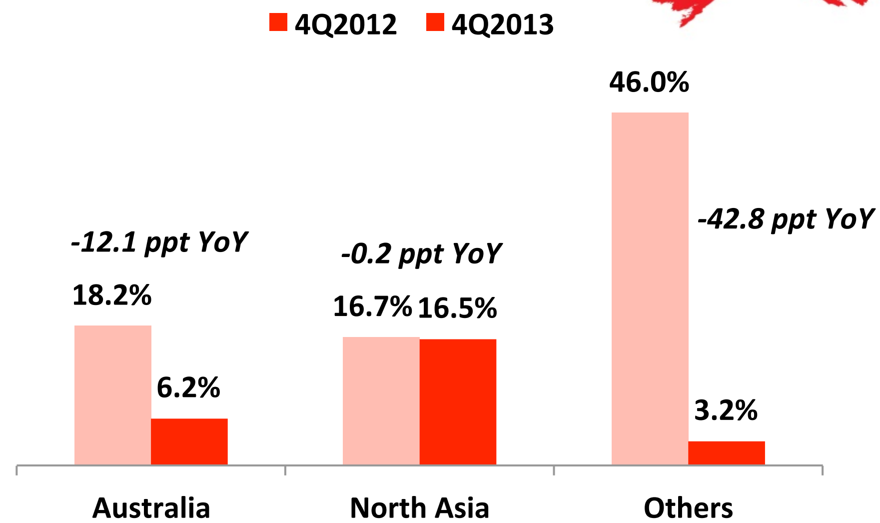


4Q13 – Segment Profitability

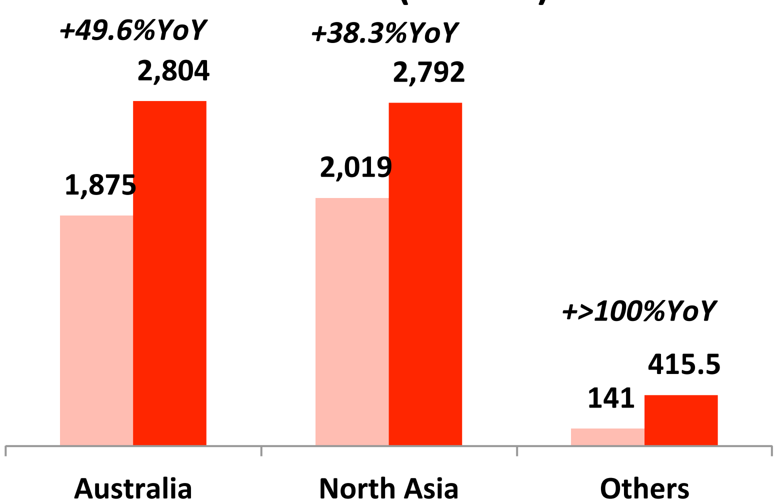
3-month ended 31 December 2013



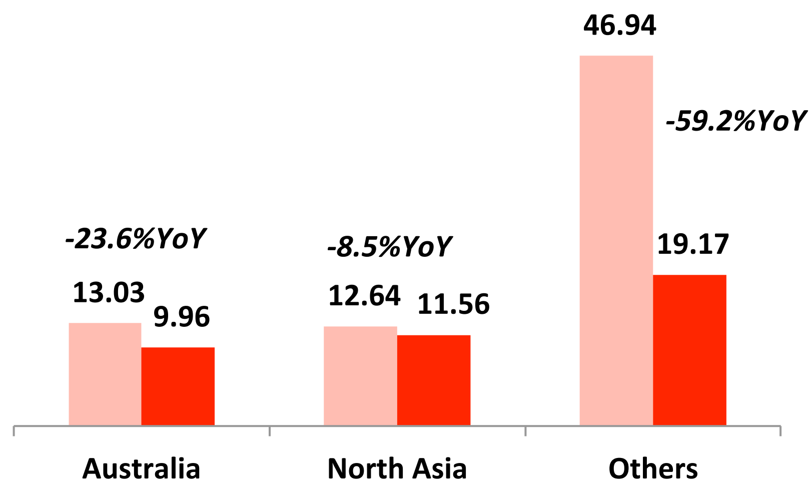
REVENUE (RM mil)



EBITDAR MARGIN



ASK (mil)



RASK (sen)

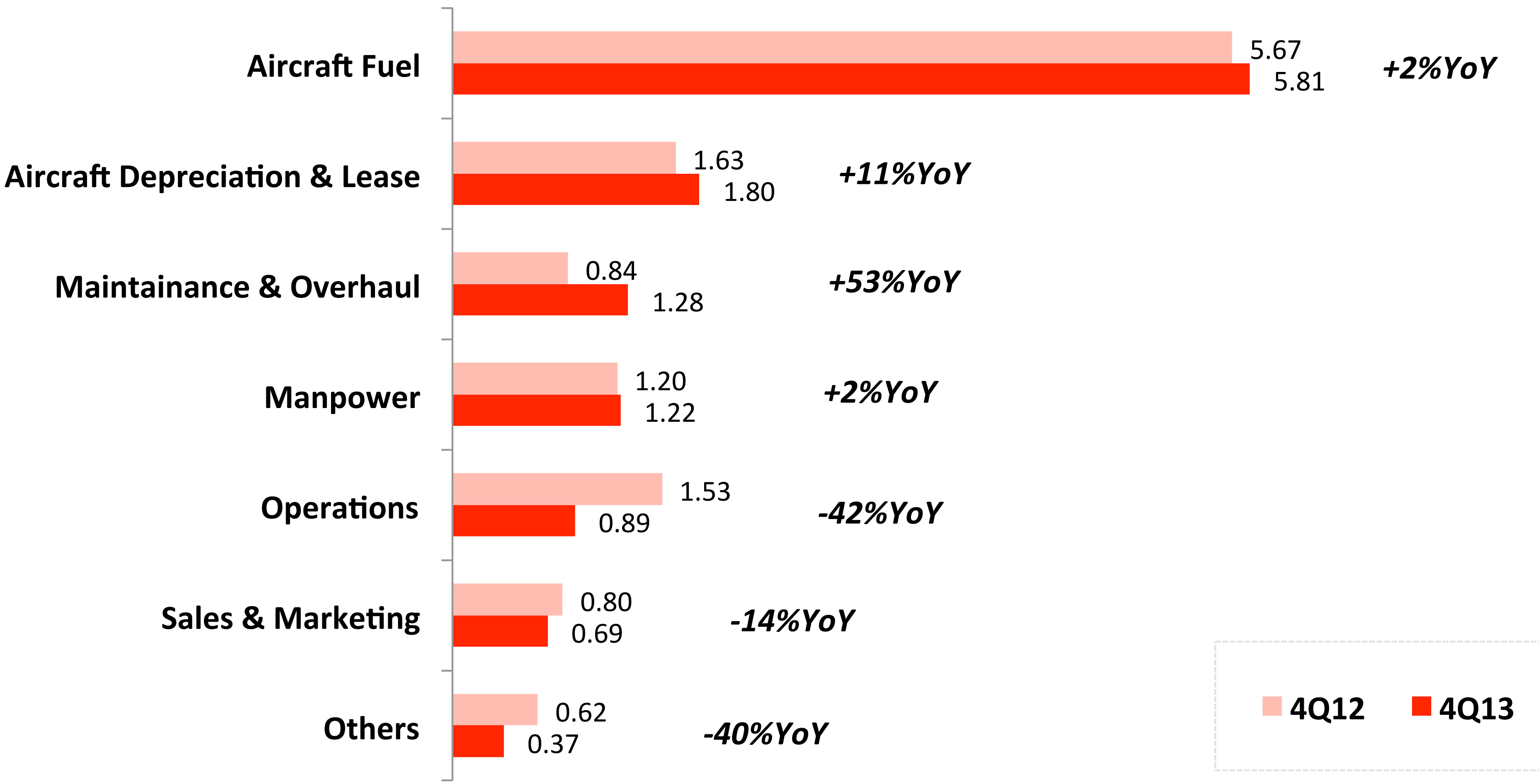
Others includes the discontinued routes- India, New Zealand, and Europe in FY2012.

4Q13 – Operating Expenditure

3-month ended 31 December 2013

CASK (RM sen)

Total CASK FY12: 12.29sen
Total CASK FY13: 12.06sen
-1.8%YoY



Operations: User Charges and Stations, Inflight, Ramp and Other Operating Expenses
Others: Insurance, Fees, Admin and Other Expenses

Network Strategy and Capacity Expansion

Summary of Strategy

- **Intra Asia-Pacific Medium-Haul market opportunity sized at 84-94 aircraft over 5 years**
  - Top-Down sizing based on LCC penetration from Msia, Thai, Indo
  - Bottom-Up sizing based on 83 identified priority routes
  - Further opportunity for North Asia-Australia market where our current share is only 10% of one-stop market
  - Medium-term opportunity to connect South Asia, Central Asia, Eastern Europe, and Middle East/Africa

- **Achieve market leadership with largest fleet/network**
  - Largest LCC brand with most seat capacity and routes in key markets
  - Individual routes where we are market leaders or strong followers
  - Use multiple-hubs to serve each destination with more route-pairs

- **Gain and Maintain First Mover Advantage**
  - Scoot, Jetstar, Cebu Pacific and LionAir have announced new Wide-body orders, and are similarly starting to emulate our multi-hub model

Network Strategy: Staying The Course

- **'North-South' Axis connecting Southeast Asia with North Asia and Australia**

	2013 Focus	2014 Focus
Deepen Frequency	2x Daily: SYD, MEL, PER, TPE 1x Daily: KIX, CTU, HGH, OOL, PEK, PVG, KTM	2x Daily: Seoul and Tokyo 1x Daily: Adelaide
Unique Routes	Busan	Nagoya, Xian, Chongqing

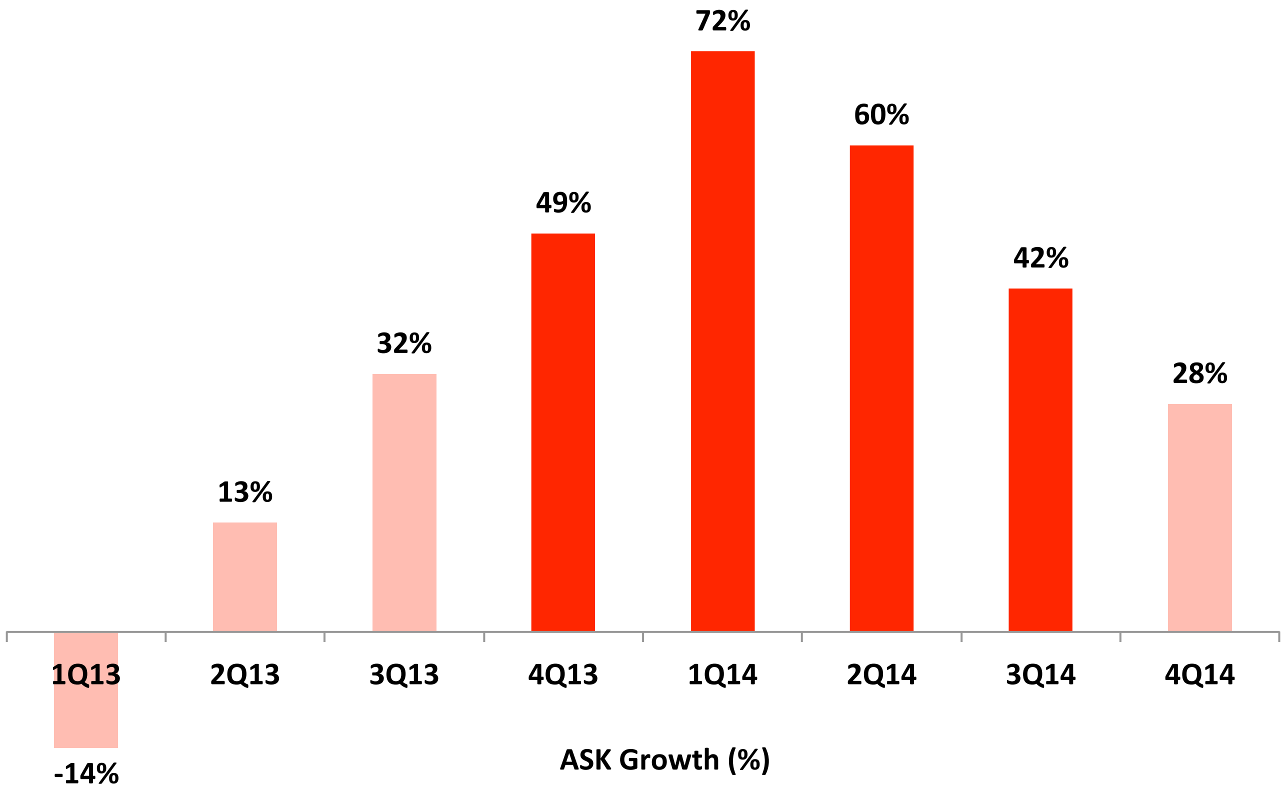
- **Increase Fly-Thru Connectivity**

2013	2014
25% Fly-Thru, 18% Self-Connect 292 Fly-Thru Route-Pairs 4614 Fly-Thru Weekly Freq	35% Fly-Thru, 15% Self-Connect 344 Fly-Thru Route Pairs 5883 Fly-Thru Weekly Freq

- **Increase Share of 'North Asia – Australia' One-Stop market** from 10% share in 2013 to 20% share in 2014

Short-Term Capacity Expansion to Build Lead

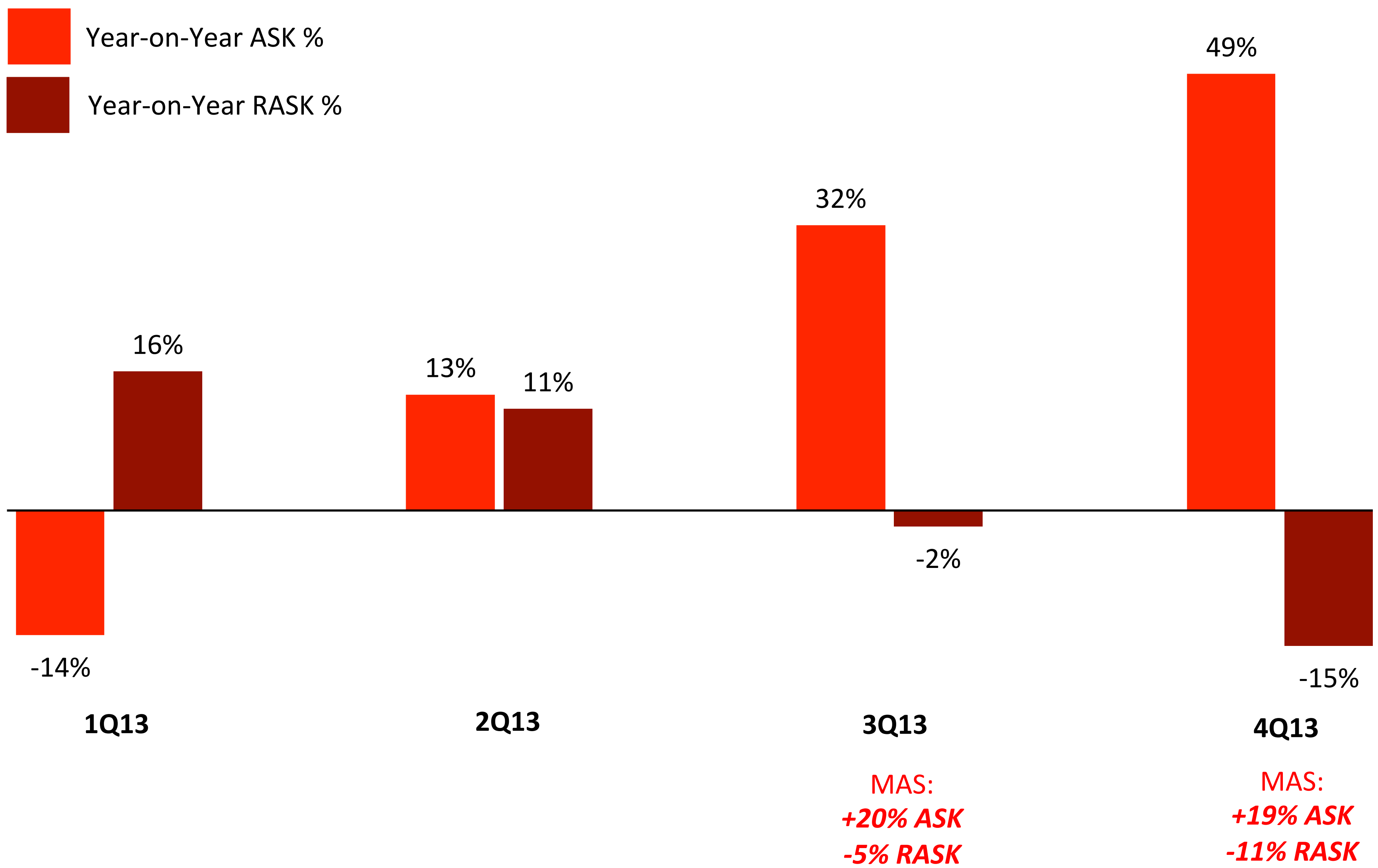
Year-on-Year ASK Growth



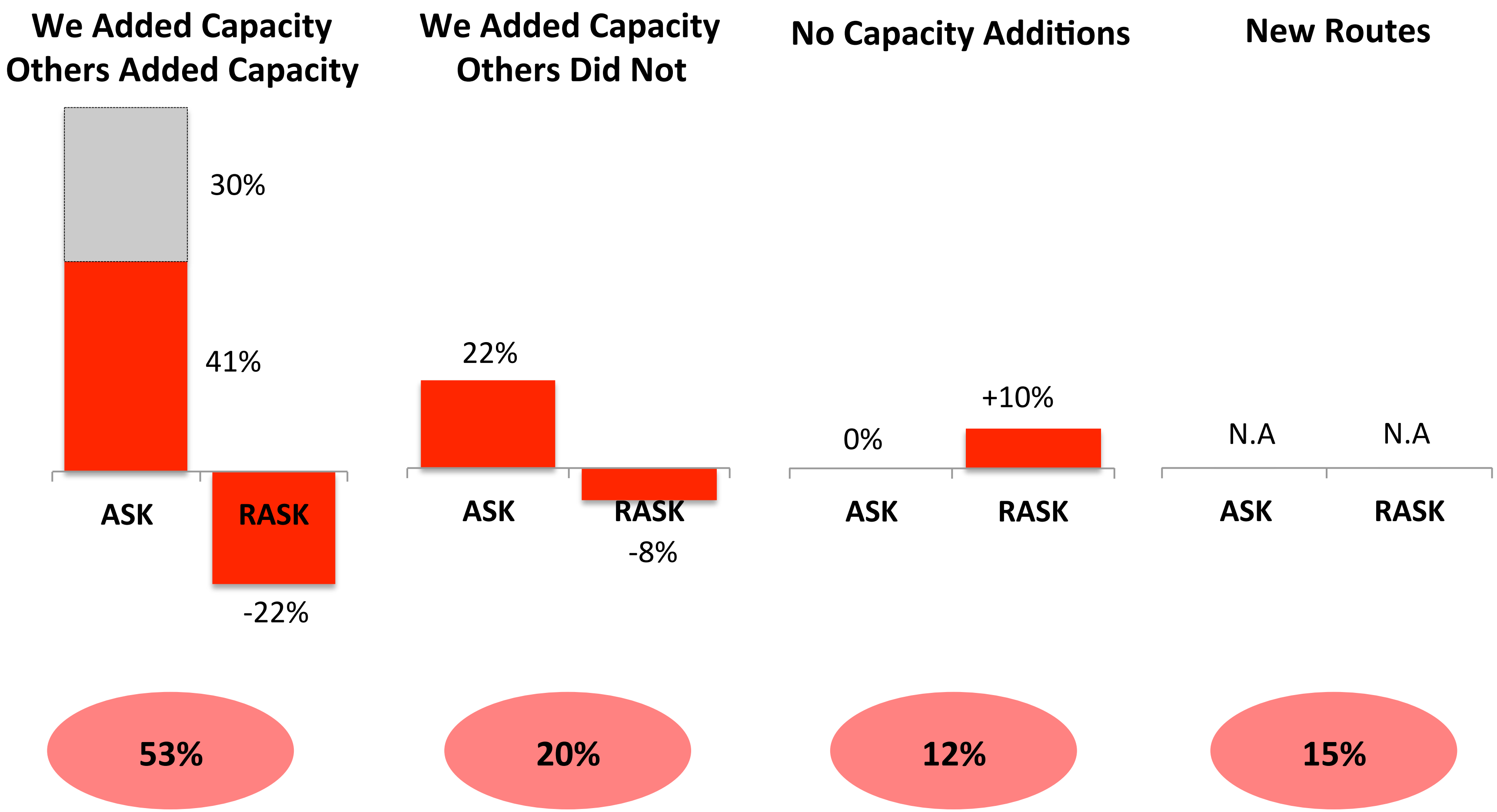
2015 onwards less than 20% growth per annum

- **2013 vs 2012** **New Routes (40%) : Frequency Additions (60%)**
- **4Q13 vs 4Q12** **New Routes (44%) : Frequency Additions (56%)**

Capacity Effects On Yields



Q413 Capacity Effect on Yield



100% = 6,012 million ASKs

Currency Impact

The unexpected weakening of MYR in 4Q13, which depreciated 5%YoY against USD in 4Q12, has translated 4Q13 to a Loss Before Tax of RM170.4m, primarily due to:

- **Foreign Exchange Loss On Borrowings:**
  - Foreign exchange losses of **(RM112.4m)** vs foreign exchange gain of **RM1.2m** on USD-denominated borrowings in 4Q12.

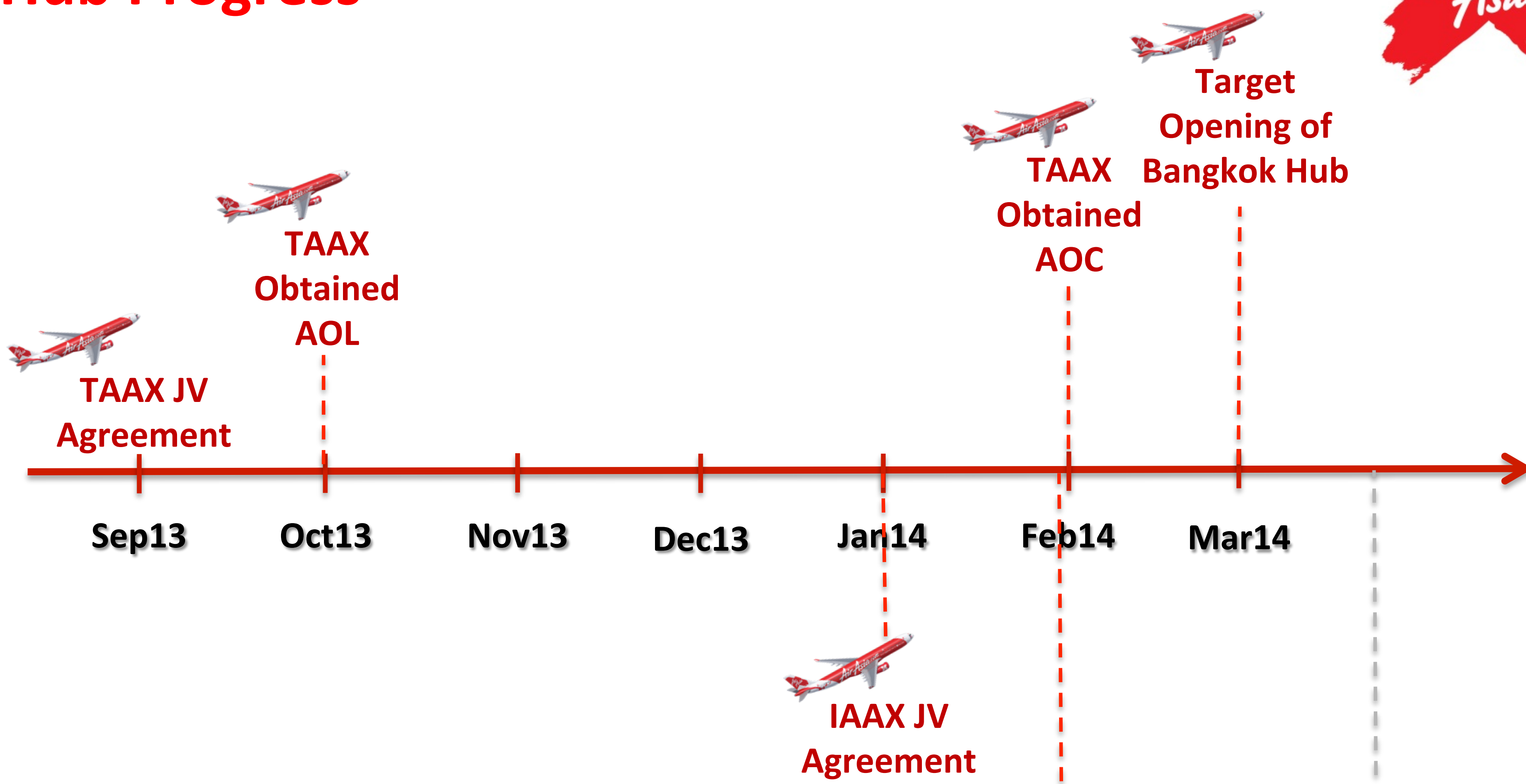
- **Higher Operating Expenses (approx. 65% exposure to USD, 5% forex movement):**
  - Aircraft fuel expenses **(51%)**
  - Aircraft leases **(10%)**
  - Maintenance and Overhaul **(4%)**

2014 Strategic Priorities

Four Top Priorities for 2014

	Target
1. Increase Distribution a. Fly-Thru on Mobile (launched 24 Feb) b. Fly-Thru on GDS platforms c. Full Network on OTAs and Metasearch platforms d. Origin-Destination Fly-Thru Pricing	**12% Third Party** **+2% LF pts** **35% Fly-Thru pax**
2. Increase Ancillary Income Per Passenger a. Fly-Thru fees b. Duty Free and Wifi (2nd Half 2014) c. BIG Loyalty d. OptionTown Flexibility	**+RM7-9 per pax**
3. Aggressively Drive Down Cost a. Manpower productivity through workload merger with AirAsia b. Less Sales & Marketing with less new routes and denser frequencies	**7% reduction in CASK ex-Fuel in US cents**
4. Manage Cashflow	

Hub Progress

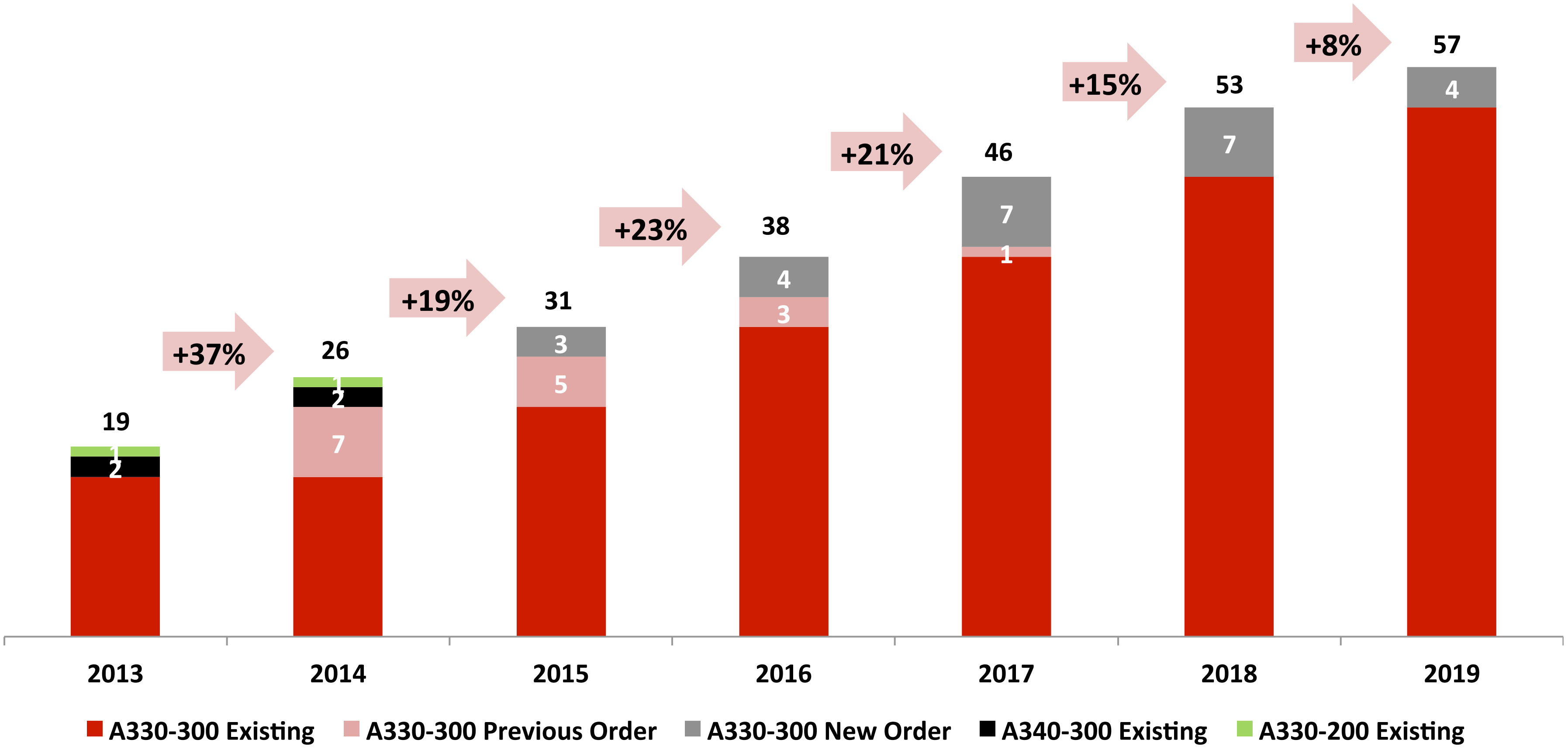


Information On Hubs:

- ✓ Start-up aircrafts for TAAX: 2 A330s
- ✓ Start-up routes for TAAX: Japan and Korea
- ✓ Start-up aircrafts for IAAX: 2 A330s
- ✓ Start-up routes for IAAX: Australia + North Asia

Fleet Size and Delivery Schedule

Young Fleet Age of ***less than 5 years old***



Thank You