



AIRASIA SOUNDING OUT INVESTORS TO TAKE COMPANY PRIVATE

News / Airlines



The founders of **AirAsia** are reported to be **sounding out investors to take the company private** in a management-led buyout, after its shares took a beating this year following a critical research report.

AirAsia boss Tony Fernandes and his long-time business partner Kamarudin Meranun are working with banks to secure financing for the transaction, which could be launched over the next few months, according to Reuters news agency.

The airline's market value has fallen 40 percent to MYR3.51 billion ringgit (USD\$803 million) since Hong Kong-based GMT Research questioned AirAsia's accounts in a report in June.

The report came as AirAsia was under pressure to turn around its loss-making affiliates and was being squeezed by industry overcapacity in a low-margin business.

Group chief executive Fernandes, who has led the airline's rise from a two-plane operation in 2002 to a billion-dollar business, has steadfastly defended the company's finances and outlook and said

the market was undervaluing it.

Tune Air, jointly owned by Fernandes and Meranun, owns about 19 percent of AirAsia. The plan to take the airline private comes a decade after it was listed on the Kuala Lumpur stock exchange.

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