



Air India signs agreements to acquire AirAsia India; commences process to merge with Air India Express into a single Low-Cost Carrier

*Merger likely by end-2023; to be branded **Air India Express***

Milestone in transformation agenda to bring in efficiencies and enhanced scale

New Delhi, November 02, 2022: Air India today announced that it has signed agreements to complete the acquisition of 100% shareholding in AirAsia India (**AAI**) and to subsidiarize it under Air India.

An operational review process is underway with a view to ultimately integrating AAI fully with Air India Express (**AIXL**). Consolidation of these two airlines, both of which operate as low-cost carriers, will be undertaken as part of the restructuring roadmap that is being envisioned for the Tata group's airline business and is expected to bring customer, revenue, cost and operational benefits through broader adoption of each airlines' best practices, systems and routes, and the combined entity's greater scale.

A working group has been formed to evaluate and execute the integration of the AI Group's low-cost operations, which will be co-led by Sunil Bhaskaran, CEO & MD, AirAsia India and Alope Singh, CEO, Air India Express. The working group will report to a committee chaired by Air India MD & CEO, Campbell Wilson.

The assessment and implementation of full integration process of AAI and AIXL, through a possible scheme of merger or otherwise and subject to necessary corporate approvals, is expected to take approximately 12 months, with network and other synergies to be realised progressively during that period.

Commenting on the development, **Mr. Campbell Wilson, CEO & MD, Air India**, said, "We are excited to initiate the creation of a single Air India Group low-cost carrier. This is a key step in the rationalisation and transformation of the Group, and we will be working closely with the management teams and staff throughout the process. We also look forward to the many new opportunities a stronger AI Group low-cost carrier will bring for customers and staff alike."

About Air India:

Founded by the legendary JRD Tata, Air India is synonymous with the growth and evolution of civil aviation in India. Since its first flight on October 15, 1932, Air India has spread its wings to become a major international airline with a network across USA, Canada, United Kingdom, Europe, Far-East & South-East Asia, Australia and the Gulf. The airline also has an extensive domestic network connecting over 55 cities in the country through its fleet of narrow and wide bodied aircraft. Air India has been a member of Star Alliance, the largest global airline consortium, since July, 2014.

**About Air India Express:**

Air India Express, launched in 2005, is India's first international budget carrier and a wholly owned subsidiary of Air India. It meets the need for affordable services on short and medium haul routes connecting smaller Indian towns directly to the Gulf and South East Asia regions. The company is presently headquartered in Kochi and has a fleet of 24 aircraft.

About AirAsia India:

Air Asia India, launched in 2014 as a joint venture between Tata Sons and Malaysia's Air Asia Berhad, operates a fleet of 29 aircraft that flies over 50 direct and 100 connecting routes across India. Upon Tata Sons acquisition of full ownership, the Bengaluru-based company was subsidiarized under Tata Son's 100%-owned Air India.

About the Tata group:

Founded by Jamsetji Tata in 1868, the Tata group is a global enterprise, headquartered in India, comprising 30 companies across ten verticals. The group operates in more than 100 countries across six continents, with a mission 'To improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust'.

Tata Sons is the principal investment holding company and promoter of Tata companies. Sixty-six percent of the equity share capital of Tata Sons is held by philanthropic trusts, which support education, health, livelihood generation, and art and culture. In 2020-21, the revenue of Tata companies, taken together, was \$103 billion (INR 7.7 trillion). These companies collectively employ over 800,000 people. Each Tata company or enterprise operates independently under the guidance and supervision of its own board of directors. There are 29 publicly-listed Tata enterprises with a combined market capitalisation of \$314 billion (INR 23.4 trillion) as on December 31, 2021. Companies include Tata Consultancy Services, Tata Motors, Tata Steel, Tata Chemicals, Tata Consumer Products, Titan, Tata Capital, Tata Power, Tata Communications, Indian Hotels, Tata Digital and Tata Electronics.