

**MAS Can Operate At A Lower Cost Via MAS-AirAsia X Supplemental Collaboration -  
Najib  
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KUALA LUMPUR, June 25 (Bernama) -- The supplemental collaboration agreement between Malaysia Airlines (MAS) and AirAsia X was signed to provide an opportunity to the national carrier to operate flights at a lower cost, Prime Minister Datuk Seri Najib Tun Razak told the Dewan Rakyat.

He said the agreement and two other memoranda of understanding inked after the MAS-AirAsia share-swap deal was shelved was for procurement, aircraft repair and maintenance services.

"MAS had the opportunity to enjoy better terms and conditions through sharing of equipment and services besides sharing and selling reserve capacity to other airlines," said Najib, who is also Finance minister, in his written reply to Wee Choo Keong (IND-Wangsa Maju).

Wee had queried why a joint venture had to be formed between MAS and AirAsia X after the MAS-AirAsia share-swap deal was revoked on May 2.

Najib said such collaborations had to be continued to increase MAS' business snergy by enhancing MAS' flight services in the main market, improve passenger handling and optimum utilisation of resources.

He said MAS' business plan focused primarily on engineering and maintenance as a strategic move to enhance the potential of the Malaysian Aerospace Engineering (MAE) not only for aircraft maintenance but also to further develop maintenance, repair and overhaul services.

"This will make MAE more competitive and can entrench its position in the increasingly challenging and rapidly developing aviation industry," he added.

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