MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2010

	Note	INDIVIDUAL/CUMULATIVE QUARTER	
		Current Year Quarter 31.03.10 RM'000	Preceding Year Corresponding Quarter Restated 31.03.09 RM'000
Continuing Operations			
Revenue		436,412	390,029
Other income		21,507	18,259
Changes in inventories		5,338	2,627
Purchases of inventories		(57,870)	(45,345)
Employee benefits expense		(86,298)	(81,453)
Depreciation and amortisation		(40,335)	(43,662)
Other expenses		(128,402)	(115,702)
Finance costs		(4,083)	(40)
Unrealised loss on financial instruments		(3,102)	-
Share of results of associates		(24,033)	553
Profit before tax		119,134	125,266
Income tax expense	20	(46,518)	(31,520)
Profit for the period from continuing operations		72,616	93,746
Discontinued Operations			
(Loss) for the period from discontinued operations	17	-	(1,668)
Profit for the period		72,616	92,078
Attributable to:			
Equity holders of the Company		72,545	91,931
Minority interests		71	147
		72,616	92,078
Earnings per share attributable to equity holders of the Company (sen):			
Basic for profit from continuing operations		6.60	8.52
Basic for loss from discontinued operations		-	(0.15)
Basic for profit for the period	27	6.60	8.37

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2010

	INDIVIDUAL/CUMULATIVE QUARTER	
	Current Year Quarter 31.03.10 RM'000	Preceding Year Corresponding Quarter Restated 31.03.09 RM'000
Profit for the period	72,616	93,746
Foreign currency translation differences	(1,493)	2,239
Available for sale (AFS) investments' fair value movements	191	-
Total comprehensive income	71,314	95,985
Attributable to:		
Equity holders of the Company	71,243	95,838
Minority interests	71	147
	71,314	95,985

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010

	31.03.10 RM'000 unaudited	31.12.09 RM'000 audited
ASSETS		
Non-current Assets		
Property, plant and equipment	1,960,674	1,951,143
Plantation development expenditure	49,146	46,834
Prepaid land lease payments	8,003	8,031
Concession rights	1,702,264	1,758,444
Investment in associates	19,836	133,734
Investment in jointly controlled entity	100	100
Financial assets classified as AFS Investments	248,693	302,041
Trade receivables	12,127	19,993
Staff loans	29,460	32,536
Deferred tax assets	3,635	3,635
	4,033,938	4,256,491
Current Assets		
Inventories	56,424	60,440
Trade receivables	338,106	316,343
Other receivables	375,049	318,016
Cash and bank balances	200,807	268,286
	970,386	963,085
Assets of disposal group classified as held for disposal	496	496
TOTAL ASSETS	5,004,820	5,220,072
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,100,000	1,100,000
Share premium	822,744	822,744
Retained earnings	1,407,339	1,448,881
Available for sale reserve	(208)	-
Foreign exchange reserve	(3,504)	(2,011)
	3,326,371	3,369,614
Minority interests	4,785	4,714
Total equity	3,331,156	3,374,328

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010 (CONTD.)

	31.03.10 RM'000 unaudited	31.12.09 RM'000 audited
Non-current Liabilities		
Retirement benefits obligations	49,071	51,580
Other financial liability	190,870	199,625
Borrowings	-	507,890
Deferred income	136,521	137,278
Deferred tax liabilities	47,069	47,725
Other payables	175,131	216,894
	598,662	1,160,992
Current Liabilities		
Retirement benefits obligations	3,760	3,712
Borrowings	507,890	250
Trade payables	24,580	110,197
Other payables	472,379	524,023
Income tax payable	66,164	46,341
	1,074,773	684,523
Liabilities of disposal group classified as held for disposal	229	229
Total liabilities	1,673,664	1,845,744
TOTAL EQUITY AND LIABILITIES	5,004,820	5,220,072

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2010

	Attributable to equity holders of the Company							
		Non- distributable			Distributable			
	Share Capital RM'000	Share Premium RM'000	Available For Sales Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1 January 2009	1,100,000	822,744	-	(1,178)	1,256,997	3,178,563	4,058	3,182,621
Profit for the year	-	-	-	-	377,922	377,922	656	378,578
Dividends paid	-	-	-	-	(186,038)	(186,038)	-	(186,038)
Foreign currency translation	-	-	-	(833)	-	(833)	-	(833)
At 31 December 2009	1,100,000	822,744	-	(2,011)	1,448,881	3,369,614	4,714	3,374,328
At 1 January 2010	1,100,000	822,744	-	(2,011)	1,448,881	3,369,614	4,714	3,374,328
Effect of adopting FRS 139	-	-	(399)	-	(114,087)	(114,486)		(114,486)
At 1 January 2010, as restated	1,100,000	822,744	(399)	(2,011)	1,334,794	3,255,128	4,714	3,259,842
Total comprehensive income for the period	-	-	191	(1,493)	72,545	71,243	71	71,314
As at 31 March 2010	1,100,000	822,744	(208)	(3,504)	1,407,339	3,326,371	4,785	3,331,156

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2010

	INDIVIDUAL/CUMULATIVE QUARTER	
	31.03.10 RM'000 unaudited	31.03.2009 RM'000 unaudited Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation from:		
Continuing operations	119,134	125,266
Discontinued operation	-	(1,668)
Adjustments for:		
Depreciation:		
- continuing operations	29,754	33,802
- discontinued operation	-	533
Amortisation of plantation development expenditure	636	718
Amortisation of prepaid lease payments	17	17
Amortisation of concession rights	9,928	9,125
Amortisation of premium on investments	17	37
Amortisation of deferred income	(757)	(706)
Interest expense	4,083	40
Provision for doubtful debts	4,489	1,034
Provision for retirement benefits	576	643
Inventories written off	56	1
Property, plant and equipment written off	1	-
Writeback of provisions for liabilities	-	(52,016)
Interest income from:		
- continuing operations	(3,191)	(3,978)
- discontinued operation	-	(80)
Investment income	(794)	(21)
Dividend received from Investment	(1,880)	-
Share of results of associates	24,033	(553)
Operating profit before working capital changes	186,102	112,194
Decrease/(increase) in inventories	3,959	(3,693)
(Increase)/decrease in receivables	(16,796)	61,542
Decrease in payables	(221,002)	(184,061)
Cash flow generated from operations	(47,737)	(14,018)
Income tax paid	(20,967)	(33,551)
Payment made to GoM	-	(507,890)
Retirement benefits paid	(961)	(2,907)
Net cash flow used in operating activities	(69,665)	(558,366)

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2010 (CONTD.)

	INDIVIDUAL/CUMULATIVE QUARTER	
	31.03.10 RM'000 unaudited	**31.03.2009 RM'000 unaudited Restated**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(42,215)	(34,090)
Proceeds from disposal of investments	43,029	-
Purchase of investments	-	(47,282)
Interest received from:		
- continuing operations	3,191	3,978
- discontinued operation	-	80
Investment income received	794	21
Dividend received from Investment	1,880	-
Net cash flow generated from/(used in) investing activities	6,679	(77,293)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(4,083)	(40)
Drawdown of borrowings	-	507,890
Repayment of term loans	(250)	(1,500)
Repayment of hire purchase	-	(12)
Net cash flow (used in)/generated from financing activities	(4,333)	506,338
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(67,319)	(129,321)
EFFECTS OF FOREIGN CURRENCY TRANSLATION	(156)	640
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	268,286	681,213
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	200,811	552,532
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	91,257	89,387
Short term deposits	109,550	459,413
	200,807	548,800
Cash and bank balances classified as held for disposal	4	3,732
	200,811	552,532

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the main Market Listing Requirement.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendment to FRSs and Interpretations with the effect from 1 January 2010.

On 1 January 2010, the Group adopted the following FRSs:-

FRSs, Amendments to FRSs and Interpretations

FRS 4	Insurance Contract
FRS 7	Financial Instruments : Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments : Recognition and Measurement
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Joint Controlled Equity or Associate
Amendment to FRS 2	Share-based Payment - Vesting Conditions and Cancellations
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC interpretation 9: Reassessment of Embedded Derivatives
Amendments to FRS's 2009	Improvement to FRSs (2009)
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i-3	Presentation of Financial Statements of Islamic Financial Institution

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Other than for the application of FRS 8, FRS101 and FRS 139, the application of the above FRSs, Amendments to FRSs and interpretations did not result in any significant changes in the accounting policies and the presentation of the financial results of the Group.

(a) FRS 8: Operating Segments

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker who make decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

(b) FRS 101: Presentation of Financial Statements

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented so that it is also in conformity with the revised standard.

(c) FRS 139: Financial Insruments - Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale (“AFS”) financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and short-term deposits, loans and receivables and AFS investments.

i) Loans and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate (“EIR”) method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment losses are recognised in the income statement.

ii) AFS

Prior to 1 January 2010, AFS financial assets such as investments were accounted for at cost adjusted for amortisation of premium and accretion of discount less impairment or at the lower of cost and market value, determined on an aggregate basis. Under FRS 139, AFS financial asset is measured at fair value initially and subsequently with amortisation of premium with accretion of discount and other accrual of income recognized in income statement and with unrealised gains or losses recognised as other comprehensive income in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement or determined to be impaired, at which time the cumulative loss is recognised in the income statement and removed from the AFS reserve.

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group's financial liabilities include trade and other payables and are carried at amortised cost.

Impact on opening balances

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the balance sheet as at 1 January 2010.

	As at 1 January 2010 RM'000
Decrease in Trade receivables	2,166
Decrease in Other payables	(33,288)
Decrease in Concession rights	46,252
Deacrease in Investments in associates	98,957
Decrease in Retained earnings	114,087

In addition, these changes in the accounting policies have the effect of decreasing the profit before tax for the current quarter by RM20.79 million.

As at 31 March 2010, the following FRSs and IC Interpretations were in issue but not yet effective and have not been applied by the Group and the Company:

FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (revised)	1 July 2010
FRS 127:	Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 2	Share-based Payments	1 July 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010
IC Interpretations 12	Service Concession Arrangements	1 July 2010
IC Interpretations 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretations 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretations 17	Distributions of Non- Cash Assets to Owners	1 July 2010

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2009 was not qualified.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The core airport services and retail business of the Group were not materially affected by any seasonality or cyclicality during the current quarter under review.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter under review.

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
(Incorporated in Malaysia)

6. SEGMENTAL INFORMATION

	Continuing Operations								Discontinued Operations	Total Operations
	Airport Operations		Non Airport Operations							
	Airport services	Retail	Project & repair and maintenance	Hotel	Agriculture & horticulture	Others	Consolidation	TOTAL		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue										
External:										
Aeronautical	205,159	-	-	-	-	-	-	205,159	-	205,159
Non-aeronautical:										
Retail	-	100,146	-	-	-	-	-	100,146	-	100,146
Others	103,283	-	3,281	14,475	10,068	-	-	131,107	-	131,107
Internal	34,678	347	14,981	69	683	-	(50,758)	-		-
	343,120	100,493	18,262	14,544	10,751	-	(50,758)	436,412	-	436,412
Segment Results										
Profits from operations	178,317	3,810	4,026	3,267	4,527	21,137	(24,398)	190,687	-	190,687
Depreciation and amortisation	(31,123)	(914)	(312)	(5,259)	(825)	(1,902)	-	(40,335)	-	(40,335)
Finance costs	(4,045)	-	-	-	-	(38)	-	(4,083)	-	(4,083)
Unrealised loss on financial instruments	(3,102)	-	-	-	-	-	-	(3,102)	-	(3,102)
Share of results of associates	364	-	-	-	-	(24,398)	-	(24,033)	-	(24,033)
Profit /(loss) before tax	140,412	2,896	3,714	(1,992)	3,702	(5,199)	(24,398)	119,134	-	119,134
Assets and Liabilities										
Segment assets	7,337,288	140,464	142,402	118,246	81,720	5,183,611	(8,019,243)	4,984,488	496	4,984,984
Investment in associates	600	-	-	-	-	19,236	-	19,836	-	19,836
Total assets	7,337,888	140,464	142,402	118,246	81,720	5,202,847	(8,019,243)	5,004,324	496	5,004,820
Segment liabilities representing total liabilities	4,604,373	72,660	74,424	19,214	27,052	3,010,664	(6,134,952)	1,673,435	229	1,673,664

7. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current quarter results.

8. DEBT AND EQUITY SECURITIES

During the current quarter under review, the Group made a repayment in long term unsecured borrowings of RM250,000.

The Group has obtained an extension with respect to the availability of the unsecured short-term borrowings facilities from CIMB Islamic Bank Berhad amounting to RM857.9 million, of which RM507.9 million was utilized in 2009. The extension period will be until 12 February 2011 or upon receipt of proceeds from a proposed longer term financing solution, whichever is earlier.

Save for the foregoing, there were no other issuance and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares during the current quarter under review.

9. DIVIDENDS PAID

There were no dividends paid during the current quarter under review.

10. CARRYING AMOUNT OF REVALUED ASSETS

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter under review.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2009.

13. CAPITAL COMMITMENTS

The amount of commitments for the lease rental and purchase of property, plant and equipment not provided for in the interim condensed consolidated financial statements as at 31 March 2010 were as follows:

	Due year 2010 RM'000	Due year 2011 to 2015 RM'000	Due year 2016 to 2025 RM'000	Due year 2026 to 2066 RM'000	Total RM'000
(i) Approved and contracted for:					
Lease rental payable to the GoM for Subang airport	-	10,010	20,019	82,079	112,107

	Due year 2010 RM'000	Due year 2011 to 2015 RM'000	Due year 2016 to 2025 RM'000	Due year 2026 to 2033 RM'000	Total RM'000
Lease rental payable to the GoM for all airports managed other than KLIA	-	10,050	20,100	16,080	46,230
Lease rental payable to the GoM in respect of KLIA	-	8,700	17,400	13,920	40,020
Capital expenditure	856,483	50,000	-	-	906,483
	856,483	68,750	37,500	30,000	992,733
(ii) Approved but not contracted for:					
Capital expenditure	712,812	1,366,630	-	-	2,079,442
	1,569,296	1,445,390	57,519	112,079	3,184,282

14. SUBSEQUENT EVENTS

There were no other material events subsequent to the end of the current quarter under review.

15. PERFORMANCE REVIEW

	INDIVIDUAL/CUMULATIVE QUARTER	
	Current Year Quarter 31.03.10 RM'000	**Preceding Year Corresponding Quarter Restated 31.03.09 RM'000**
Revenue	436,412	390,029
Profit before tax	119,134	125,266

Revenue

The consolidated revenue of the Group for the current quarter under review was higher than the corresponding period last year by 11.89%.

The improved revenue in the current quarter under review was mainly from airport operations, driven by stronger recovery in air travel demand.

Passenger movements for the current quarter was 21.04% higher than the corresponding period last year, in which the international and domestic passenger improved by 31.43% and 12.72% respectively.

The improved revenue was also as a result of growth in retail business and higher rental revenue derived from additional commercial space.

Profit before tax

Profit before tax (PBT) for the current quarter under review was slightly lower than the corresponding period last year by 4.90% mainly due to the adoption of FRS 139 resulting in the higher share of losses in an associate company, whereby, the concession payable by the associate company was recognised at fair value and subsequently at amortized cost. Gains and losses arising from the changes in the fair value were recognized in the income statement.

Stripping out the FRS 139 effects, the profit before tax for the current quarter was RM 139.92 million, 12% higher than the corresponding period last year. The improved PBT was due to the overall higher revenue achieved in the current quarter.

In addition, the preceding year corresponding quarter PBT figure had included a reversal of lease rental payable to the Government totalling RM 52.0 million and a backdated user fee amount in respect of financial year 2008 paid to the Government of RM45.8 million subsequent to the signing of the Operating Agreements.

There were also other one-off transactions pursuant to the signing of the Operating Agreements. However, after considering the said transactions, operationally, the Group had performed better as reflected by the higher passenger and revenue numbers.

15. PERFORMANCE REVIEW (Contd.)

ECONOMIC PROFIT STATEMENT

	INDIVIDUAL/CUMULATIVE QUARTER	
	Current Year to date 31.03.10 RM'000	**Preceding Year Corresponding Period 31.03.09 RM'000**
Net Operating Profit Less Adjusted Tax (NOPLAT) computation.		
Earnings before interest and tax (EBIT*)	144,059	119,028
Adjusted Tax	(36,015)	(29,757)
NOPLAT	108,044	89,271
Economic charge computation		
Average invested capital	3,684,890	2,919,457
Weighted average cost of capital per annum	8.08%	7.32%
Economic Charge	74,435	53,426
Economic Profit	33,609	35,845

* EBIT is arrived before finance cost, interest income and share of associate profit.

The EP statement is disclosed on a voluntary basis. EP is a measure of value created by a business during a single period reflecting how much return a business makes over its cost of capital, that is, the difference between the Company's rate of return and cost of capital.

The Group recorded an economic profit of RM33.61 million for current quarter under review as compared to RM35.85 million in the corresponding period last year.

15. PERFORMANCE REVIEW (Contd.)

HEADLINE KEY PERFORMANCE INDICATORS ("KPIs")

The Group's financial and operational performances for the 1st quarter ended 31 March 2010 against the Headline KPIs for year 2009 were as follows:-

		Headline KPIs for year 2010		Actual 1st Quarter ended 31 March 2010	
		Without FRS 139	With FRS 139	Without FRS 139	With FRS 139
i)	EBITDA (RM'000)	619,955	619,955	190,687	190,687
ii)	ROE	9.22%	6.57%	2.73%	2.16%
iii)	Airport Service Quality Survey Ranking	KLIA Ranking top 5 Worldwide		i) 25-40 mppa - ranking at no.3 ii) Worldwide - ranking at no. 9	

16. MATERIAL CHANGE IN PROFIT BEFORE TAXATION OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

	INDIVIDUAL/CUMULATIVE QUARTER	
	Current Year Quarter 31.03.10 RM'000	**Immediate Preceding Quarter 31.12.2009 RM'000**
Revenue	436,412	476,843
Profit before tax	119,134	158,028

Revenue

The consolidated revenue of the Group for the current quarter under review was 8.48% below the immediate preceding quarter. The adverse variance was due to lower revenue from airport operations which decreased by 9.0%, attributed mainly to lower passenger movements by 7.23%. The non-aeronautical revenue however, improved by 3.44% which was mainly contributed by revenue derived from rental upon completion of the KLIA LCCT expansion in April 2009 and Retail Optimization Plan at the KLIA Satellite Building and Contact Pier in November 2009.

The current quarter also showed a 41% decrease in the revenue from non-airport operations as compared to the immediate preceding quarter mainly due to lower revenue derived from the project management segment.

Profit before tax

Profit before tax for the current quarter under review was lower than the immediate preceding quarter by 24.61% mainly due to lower revenue, higher share of associate losses and higher depreciation expense. The depreciation expense in the immediate preceding quarter was lower due to the adjustment made for revision of assets useful life.

17. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR DISPOSAL

Assets and liabilities classified as held for sale in the consolidated statement of financial position was for the auction segment of the group, APAC, which ceased operation in October 2008. The result is presented separately on the consolidated income statement as discontinued operations. MAHB is currently in the administration process of having APAC dissolved.

An analysis of the result of discontinued operations of APAC, are as follows:

	INDIVIDUAL/CUMULATIVE QUARTER	
	Current Year to date 31.03.10 RM'000	**Preceding Year Corresponding Period 31.03.09 RM'000**
Revenue	-	2,136
Other income	-	81
Expenses	-	(3,885)
(Loss)/profit before tax of discontinued operations	-	(1,668)
Income tax expenses	-	-
(Loss)/profit for the year from discontinued operations	-	(1,668)

The major classes of assets and liabilities of APAC classified as held for disposal on the consolidated statement of financial position as at 31 March 2010 and 31 December 2009 are as follows:

	31.03.10 RM'000 unaudited	**31.12.09 RM'000 audited**
Assets		
Trade and other receivables	492	492
Cash & bank balances	4	4
Assets of disposal group classified as held for disposal	496	496
Liabilities		
Trade & other payables	229	229

18. COMMENTARY ON PROSPECTS

The Group expects the airport operations business segment to continue contributing positively to the consolidated revenue for 2010 financial year. The aeronautical revenue stream would be highly dependent on the passenger movements at all airports operated by the Group.

IATA had reported that the first quarter world wide preliminary numbers have been impressive with an increase in both premium and economy traffic. Airlines load factors have also continued to climb. IATA's latest projected passenger numbers for 2010 is 7.3% over 2009. Asia Pacific region led by China is expected to grow by 12%. However, this projection could come down due to the recent volcano eruption in Iceland that disrupted travel worldwide especially in the European sector.

Airports in Malaysia on the other hand, have very limited exposure to the disruption of traffic in Europe and it is expected that the impact on traffic growth would be minimal. As indicated by IATA, the turnaround being seen by the conventional airlines would likely provide a boost to our aeronautical revenue.

The Group also expects non-aeronautical revenue to further contribute positively to overall revenue in 2010 with the completion of the KLIA LCCT expansion in April 2009 and Retail Optimization Plan at the KLIA Satellite Building and Contact Pier in November 2009.

19. PROFIT FORECAST

The disclosure requirements for explanatory notes for the variance of actual profit after tax minority interests and forecast profit after tax and minority interests are not applicable.

20. INCOME TAX EXPENSE

	INDIVIDUAL/CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter Restated
	31.03.10	31.03.09
	RM'000	RM'000
Current tax	46,452	31,444
Deferred taxation	66	76
	46,518	31,520

21. SALE OF PROPERTIES

There were no sales of properties since the last annual balance sheet as at 31 December 2009.

22. INVESTMENTS IN QUOTED SECURITIES

There were no investments in quoted securities during the quarter under review.

23. BORROWINGS AND DEBT SECURITIES

	As at 31.03.10 RM'000 unaudited	As at 31.12.09 RM'000 audited
Short term borrowings		
Unsecured:		
Term loans	507,890	250
	507,890	250
Long term borrowings		
Unsecured:		
Term loans	-	507,890
	-	507,890
	507,890	508,140

As at the reporting date, the Group has not issued any debt securities.

24. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 17 May 2010.

25. CHANGES IN MATERIAL LITIGATION

There are no changes to material suits against the company and its subsidiaries since 31 December 2009.

26. DIVIDEND PAYABLE

There were no dividends paid or declared during the current quarter under review.

27. EARNINGS PER SHARE ("EPS")

Basic EPS

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	INDIVIDUAL/CUMULATIVE QUARTER	
	Current Year Quarter 31.03.10 RM'000	Preceding Year Corresponding Quarter Restated 31.03.09 RM'000
Profit from continuing operations attributable to equity holders of the Company	72,616	93,746
Loss from discontinued operations attributable to equity holders of the Company	-	(1,668)
Profit attributable to equity holders of the Company	72,616	92,078
Weighted average number of ordinary shares in issue ('000)	1,100,000	1,100,000
Basic earning per share for (sen):		
Profit from continuing operations	6.60	8.52
Loss from discontinued operations	-	(0.15)
Profit for the year	6.60	8.37

28. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors.

BY ORDER OF THE BOARD

Sabarina Laila Dato' Mohd Hashim
Company Secretary
Sepang
17 May 2010