



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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	Note	Current Year Quarter 30.09.2011 RM'000	*Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year to date 30.09.2011 RM'000	*Restated Preceding Year Corresponding Period 30.09.2010 RM'000
Revenue		652,828	623,778	1,917,449	1,647,405
Other income		46,933	20,550	95,373	65,118
Changes in inventories		(9,823)	(7,841)	(4,278)	(5,270)
Purchases of inventories		(50,051)	(43,790)	(175,554)	(149,744)
Employee benefits expense		(102,254)	(89,971)	(300,599)	(283,119)
Depreciation and amortisation		(38,218)	(38,459)	(116,284)	(114,389)
Other expenses		(331,380)	(335,948)	(951,854)	(775,479)
Operating profits		168,035	128,319	464,253	384,522
Finance costs		-	(4,045)	-	(12,091)
Net (gain) / loss from fair value adjustments on financial instruments		68	(3,102)	204	(9,306)
Share of results of associates		(22,958)	(29,491)	(52,220)	(70,713)
Profit before tax and zakat		145,145	91,681	412,237	292,412
Taxation and zakat	20	(36,944)	(29,585)	(133,961)	(97,480)
Profit for the period		108,201	62,096	278,276	194,932
Attributable to:					
Owners of the parent		108,182	62,116	278,228	194,869
Minority interests		19	(20)	48	63
		108,201	62,096	278,276	194,932
Earnings per share attributable to owners of the parent (sen)		9.83	5.65	25.29	17.72

*Restated due to changes in accounting policies as further described in Note 2.

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 30 SEPTEMBER 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2011 RM'000	*Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year Quarter 30.09.2011 RM'000	*Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000
Profit for the year, net of tax and zakat	108,201	62,096	278,276	194,932
Exchange differences on translation of foreign operations	1,693	(1,692)	1,095	(3,285)
Other Reserve	2,546	-	2,546	-
Gain on available-for-sale investment	60	(650)	736	(347)
Other comprehensive income for the period, net of tax and zakat	4,299	(2,342)	4,377	(3,632)
Total comprehensive income	112,500	59,754	282,653	191,300
Attributable to:				
Owners of the parent	112,481	59,774	282,605	191,237
Minority interests	19	(20)	48	63
	112,500	59,754	282,653	191,300

*Restated due to changes in accounting policies as further described in Note 2.

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 30 SEPTEMBER 2011

	30.09.2011	*Restated
	RM'000	31.12.2010
	Unaudited	RM'000
		Audited
ASSETS		
Non-current Assets		
Property, plant and equipment	432,620	422,898
Plantation development expenditure	45,772	47,237
Land use rights	7,822	7,910
Intangible Assets	4,108,452	3,573,098
Investment in associates	55,859	67,429
Investment in jointly controlled entity	-	100
Available for sale investments	307,244	242,114
Trade receivables	9,704	9,170
Other receivables	219,706	212,294
Staff loans	33,631	32,076
Deferred tax assets	22,802	16,845
	<u>5,243,612</u>	<u>4,631,171</u>
Current Assets		
Inventories	62,225	60,947
Trade receivables	281,057	314,583
Other receivables	611,045	494,718
Cash and bank balances	993,692	1,539,770
	<u>1,948,019</u>	<u>2,410,018</u>
Assets of disposal group classified as held for disposal	496	496
TOTAL ASSETS	<u>7,192,127</u>	<u>7,041,685</u>



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011 (CONTD.)

	30.09.2011	*Restated
	RM'000	31.12.2010
	unaudited	RM'000
		Audited
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	1,576,301	1,395,011
Fair value adjustment reserve	808	72
Other reserve	2,546	-
Foreign exchange reserve	(4,301)	(5,396)
	<u>3,498,098</u>	<u>3,312,431</u>
Minority interests	-	5,498
Total equity	<u>3,498,098</u>	<u>3,317,929</u>
Non-current Liabilities		
Retirement benefits obligations	50,290	51,029
Other financial liability	184,063	177,716
Borrowings	2,500,000	2,500,000
Deferred income	132,238	134,391
Deferred tax liabilities	53,108	47,903
Other payables	116,079	98,760
	<u>3,035,778</u>	<u>3,009,799</u>
Current Liabilities		
Retirement benefits obligations	4,034	4,281
Trade payables	44,514	119,655
Other payables	547,837	548,012
Income tax payable	61,637	41,780
	<u>658,022</u>	<u>713,728</u>
Liabilities of disposal group classified as held for disposal	<u>229</u>	<u>229</u>
Total liabilities	<u>3,694,029</u>	<u>3,723,756</u>
TOTAL EQUITY AND LIABILITIES	<u>7,192,127</u>	<u>7,041,685</u>

*Restated due to changes in accounting policies as further described in Note 2.

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 30 SEPTEMBER 2011

Attributable to equity holders of the Company

	Non- distributable				Distributable		Minority interests	Total equity	
	Share Capital	Share Premium	Available For Sales Reserve	Foreign Exchange Reserve	Other Reserve	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
At 1 January 2010	1,100,000	822,744	-	(2,011)	-	1,421,407	3,342,140	4,714	3,346,854
Effect of adopting FRS 139	-	-	399	-	-	(159,944)	(159,545)	-	(159,545)
Adjustment (note 2)	-	-	-	-	-	27,497	27,497	-	27,497
At 1 January 2010, as restated	1,100,000	822,744	399	(2,011)	-	1,288,960	3,210,092	4,714	3,214,806
Total comprehensive income for the period, as previously reported	-	-	(347)	(3,285)	-	193,857	190,225	63	190,288
Adjustment (note 2)	-	-	-	-	-	1,012	1,012	-	1,012
Total comprehensive income for the period, as restated	-	-	(347)	(3,285)	-	194,869	191,237	63	191,300
Minority interest share of capital	-	-	-	-	-	-	-	98	98
Dividends paid	-	-	-	-	-	(122,926)	(122,926)	-	(122,926)
At 30 September 2010	1,100,000	822,744	52	(5,296)	-	1,360,903	3,278,403	4,875	3,283,278
At 1 January 2011	1,100,000	822,744	72	(5,396)	-	1,366,449	3,283,869	5,498	3,289,367
Adjustment (note 2)	-	-	-	-	-	28,562	28,562	-	28,562
1 January 2011, as restated	1,100,000	822,744	72	(5,396)	-	1,395,011	3,312,431	5,498	3,317,929
Additional acquisition of equity interest from non-controlling interest	-	-	-	-	-	-	-	(5,546)	(5,546)
Total comprehensive income for the period	-	-	736	1,095	2,546	278,228	282,605	48	282,653
Dividends paid	-	-	-	-	-	(96,938)	(96,938)	-	(96,938)
At 30 September 2011	1,100,000	822,744	808	(4,301)	2,546	1,576,301	3,498,098	-	3,498,098

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 30 SEPTEMBER 2011

	30.09.2011	*Restated
	RM'000	30.09.2010
	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax and zakat	412,237	292,412
Adjustments for:		
Depreciation	85,654	85,699
Amortisation of:		
- plantation development expenditure	1,914	1,908
- land use rights	88	88
- concession rights	28,625	26,694
- premium on investments	65	67
- deferred income	(2,153)	(2,163)
Interest expense	-	12,091
Net allowance for/(write back of doubtful debts)	(1,594)	18,654
Retirement benefits	1,513	1,729
Inventories (written back)/written off	(60)	664
Bad debt recovered	(100)	(600)
Property, plant and equipment written off	1,624	7
Interest income	(7,132)	(6,835)
Investment income	(23,513)	(1,880)
Gain on disposal of:		
- property, plant and equipment	(42)	(67)
- Investment	-	(16)
Fair value adjustments on financial instruments of:		
- Loans and receivables	(8,049)	(793)
- Financial liabilities	7,845	10,098
Share of results of associates	52,220	70,713
Operating profit before working capital changes	549,142	508,470
Increase in inventories	(1,218)	(13,542)
Increase in receivables	(82,561)	(94,995)
Decrease in payables	(109,793)	(273,954)
Cash flow generated from operations	355,570	125,978
Taxes and zakat paid	(114,856)	(89,685)
Retirement benefits paid	(2,500)	(2,317)
Net cash flow generated from operating activities	238,214	33,976



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

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	30.09.2011	*Restated
	RM'000	30.09.2010
	Unaudited	RM'000
		Unaudited
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of:		
- property, plant and equipment and intangibles	(661,429)	(384,098)
- other investments	(58,057)	-
- additional acquisition of equity interest from non-controlling interest	(3,000)	-
Disposal of other investment	1,000	-
Proceeds arising from dissolution of jointly controlled entity	100	-
Proceeds from sales of:		
- property, plant and equipment	42	67
- other investments	-	37,824
Additional investment in an associate	(160)	-
Redemption of bonds	-	5,222
Interest received	7,132	6,835
Dividend received from associate	3,465	-
Investment income	23,513	1,880
Net cash flow used in investing activities	<u>(687,394)</u>	<u>(332,270)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	-	(12,091)
Drawdown of borrowings	-	1,350,000
Repayment of term loans	-	(250)
Repayment of debenture	-	(2,185)
Proceed from additional minority interest share of capital	-	98
Dividends paid	(96,938)	(122,925)
Net cash flow (used in)/generated from financing activities	<u>(96,938)</u>	<u>1,212,647</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(546,118)	914,353
EFFECTS OF FOREIGN CURRENCY TRANSLATION	40	(228)
CASH AND CASH EQUIVALENTS AT BEGINNING		
OF FINANCIAL PERIOD	<u>1,539,770</u>	<u>268,286</u>
CASH AND CASH EQUIVALENTS AT END		
OF FINANCIAL PERIOD	<u>993,692</u>	<u>1,182,411</u>
CASH AND CASH EQUIVALENTS COMPRISING:		
Cash and bank balances	74,752	828,752
Short term deposits	918,936	353,655
	<u>993,688</u>	<u>1,182,407</u>
Cash and bank balances classified as held for disposal	4	4
	<u>993,692</u>	<u>1,182,411</u>

*Restated due to changes in accounting policies as further described in Note 2.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



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

1. BASIS OF PREPARATION

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

The interim condensed consolidated 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 Requirements.

The interim condensed consolidated financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010. These explanatory notes attached to the interim condensed consolidated 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 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 January 2011.



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

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

On 1 January 2011, the Group adopted the following FRSs:-

FRSs, Amendments to FRSs and Interpretations

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation-Classification of Rights Issues
Amendment to FRS 138	Intangible Assets
Amendment to IC	Reassessment of embedded Derivatives
Interpretation 9	
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 4	Determining whether an Arrangement contains a lease



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

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

IC Interpretation 18	Transfers of Assets from Customers
Amendments to FRS 1, FRS 3, FRS 7, FRS 101, FRS 121, FRS 128, FRS 131, FRS 132, FRS 134, FRS 139, and Amendments to IC Interpretation 13.	Improvements to FRSs (2010)

Other than for the application of IC Interpretation 12, 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. The disclosures under the Amendments to FRS 7 will affect the 2011 annual financial statements. The nature of the changes on adoption of the IC Interpretation 12 is described below.

IC Interpretation 12: Service Concession Arrangements ("IC 12")

IC 12 considered the nature of the rights conveyed to the operator in a service concession arrangement. It first examined whether the infrastructure used to provide public services could be classified as property, plant and equipment of the operator under FRS 116. It started from the principle that infrastructure used to provide public services should be recognised as property, plant and equipment of the party that controls its use. This principle determines which party should recognise the property, plant and equipment as its own.

The interpretation also concluded that treatment of infrastructure that the operator constructs or acquires or to which the grantor gives the operator access for the purpose of the service arrangement should be determined by whether the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and the grantor control through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement.



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

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Under IC 12, the operator may provide construction services to the grantor in exchange for an intangible asset, i.e. a right to collect revenue in accordance with the Operating Agreements. In accordance with FRS 138 Intangible Assets, the operator recognises the intangible asset at its fair value. The fair value of the intangible asset is calculated by including a certain mark-up on the actual cost incurred, estimated to reflect a margin consistent with other similar construction works. However, during the current quarter and financial period-to-date under review, the Group has not included in the fair value of the intangible asset any mark up on the actual cost incurred, as the appropriate mark up cannot be reliably measured and as such the contract revenue and contract costs associated with the construction contract is recognised as revenue and expense respectively by reference to the stage of completion of the contract activity at the balance sheet date. The Group will periodically review and re-assess the appropriate mark up with the ongoing construction of Klia2 and expansion of the Penang International Airport and make appropriate adjustments to the fair value of the intangible assets accordingly (if required).

The changes in accounting policies will be accounted for in accordance with FRS 108 retrospectively and the comparatives are restated accordingly.

The following are effects arising from the said changes in accounting policies:

	<u>Increase/(decrease)</u>	
	<u>As at 30</u> <u>Sept</u> <u>2011</u> <u>RM'000</u>	<u>As at 31</u> <u>December</u> <u>2010</u> <u>RM'000</u>
Statements of financial position		
Intangibles	2,461,226	1,897,247
Property, plant and equipment	(2,461,226)	(1,897,247)
Investment in associates	28,562	28,562
Retained earnings	<u>28,562</u>	<u>28,562</u>



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

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2011 RM'000	Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year Quarter 30.09.2011 RM'000	Preceding Year Corresponding Quarter 30.09.2010 RM'000
Statements of comprehensive income				
Revenue	169,083	177,490	506,157	328,922
Other expenses	169,083	177,490	506,157	328,922
Share of results of associates	-	292	-	1,012
Profit before tax from continuing operations	-	292	-	1,012
Profit net of tax	-	292	-	1,012

As at 30 September 2011, the following FRSs and IC Interpretations were in issue but not yet effective and have not been applied by the Group:

FRSs, Amendments to FRSs and Interpretation		Effective for financial year beginning on or after
FRS 124	Related Party Disclosures	1 January 2012
IC Interpretations 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011



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

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2010 was not qualified.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

Airport services segment and retail segment, being the core businesses of the Group were not materially affected by any seasonality or cyclicity during the current quarter and financial period-to-date 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 and financial period-to-date 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				Consolidation			TOTAL
	Airport services	Retail	Project & repair and maintenance	Hotel	Agriculture & horticulture	Others				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Segment Revenue										
External:										
Aeronautical	639,385	-	-	-	-	-	-	639,385	-	639,385
Non-aeronautical:										
Retail	-	344,022	-	-	-	-	-	344,022	-	344,022
Others	823,544	-	13,017	53,392	44,089	-	-	934,042	-	934,042
Internal	102,273	1,066	59,567	-	1,732	-	(164,638)	-	-	-
	<u>1,565,202</u>	<u>345,088</u>	<u>72,584</u>	<u>53,392</u>	<u>45,821</u>	<u>-</u>	<u>(164,638)</u>	<u>1,917,449</u>	<u>-</u>	<u>1,917,449</u>
Segment Results										
Profits from operations	529,197	28,204	3,905	13,146	21,231	(10,526)	(4,620)	580,537	-	580,537
Depreciation and amortisation	(99,086)	(2,776)	(151)	(5,682)	(2,537)	(6,052)	-	(116,284)	-	(116,284)
Net loss from fair value adjustments of financial Instruments	204	-	-	-	-	-	-	204	-	204
Share of results of associates	2,733	-	-	-	-	(54,953)	-	(52,220)	-	(52,220)
Profit/(loss) before tax and zakat	<u>433,048</u>	<u>25,428</u>	<u>3,754</u>	<u>7,464</u>	<u>18,694</u>	<u>(71,531)</u>	<u>(4,620)</u>	<u>412,237</u>	<u>-</u>	<u>412,237</u>
Assets and Liabilities										
Segment assets	6,376,351	173,105	200,969	126,448	100,609	6,625,788	(6,526,439)	7,076,831	496	7,077,327
Investment in associates	600	-	-	-	-	114,200	-	114,800	-	114,800
Total assets	<u>6,376,951</u>	<u>173,105</u>	<u>200,969</u>	<u>126,448</u>	<u>100,609</u>	<u>6,739,988</u>	<u>(6,526,439)</u>	<u>7,191,631</u>	<u>496</u>	<u>7,192,127</u>
Segment liabilities representing										
Total liabilities	<u>3,291,657</u>	<u>82,892</u>	<u>124,644</u>	<u>19,134</u>	<u>31,189</u>	<u>4,674,509</u>	<u>(4,530,225)</u>	<u>3,693,800</u>	<u>229</u>	<u>3,694,029</u>



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

7. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the results for the current quarter and financial period-to-date under review.

8. DEBT AND EQUITY SECURITIES

There were no issuance and/or repayment of debt and/or equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares during the current quarter and financial period-to-date under review.

9. DIVIDENDS PAID

The final dividend of 11.75 sen per share less income tax of 25% on 1,100,000,000 ordinary shares in respect of the financial year ended 31 December 2010 was approved by the Shareholders at its Annual General Meeting held on 28 April 2011. The final dividend was thereafter paid on 31 May 2011 in respect of the shares registered in the Records of Depositors on 16 May 2011 amounting to RM96.9 million (8.81 sen per ordinary share).

Save for the foregoing, there were no other dividends paid or declared during the current quarter and financial period-to-date under review.

10. CARRYING AMOUNT OF REVALUED ASSETS

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



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

11. CHANGES IN COMPOSITION OF THE GROUP

On 28 July 2011, Malaysia Airports Consultancy Services Sdn. Bhd., a wholly-owned subsidiary of the Group, completed the acquisition of 187,500 ordinary shares of RM1.00 each in Urusan Technology Wawasan Sdn. Bhd. ("UTW"); representing an additional 25% equity interest in UTW for a cash consideration of RM3,000,000 or RM16.00 per UTW ordinary share. Following this transaction, its effective interest in UTW has increased to 100% equity interest and UTW became a wholly-owned subsidiary of the Group.

Save for the above, there were no other changes in the composition of the Group during the financial quarter under review and financial year-to-date.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

On 23 September 2011, the High Court had allowed the claims by XY Base Technology (M) Sdn Bhd ("XY Base") against MA (Sepang) for RM6, 466, 769 together with 4% interest per annum from 23 September 2011 until full settlement. The Court had also awarded general damages with regard to XY Base's claims for unlawful interference with its employees in which the amount for damages shall be assessed later by the Court. The High Court had, however, dismissed the plaintiff's other claims as detailed in the Company's announcement dated 30 September 2011.

Save for the foregoing, there were no other changes in contingent liabilities since 31 December 2010. The Group has no contingent assets.



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

13. CAPITAL COMMITMENTS

The amount of commitments for lease rental, purchase of property, plant and equipment and other investment not provided for in the interim condensed consolidated financial statements as at 30 September 2011 were as follows:

	Due year 2011 RM'000	Due year 2012 to 2016 RM'000	Due year 2017 to 2026 RM'000	Due year 2027 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	80,077	110,106
	Due year 2011 RM'000	Due year 2012 to 2016 RM'000	Due year 2017 to 2026 RM'000	Due year 2028 to 2033 RM'000	Total RM'000
Lease rental payable to the GoM for all airports managed other than KLIA	-	10,050	20,100	14,070	44,220
Lease rental payable to the GoM in respect of KLIA	-	8,700	17,400	12,180	38,280
Capital expenditure	818,887	1,344,117	-	-	2,163,004
	818,887	1,362,867	37,500	26,250	2,245,504
	818,887	1,372,877	57,519	106,327	2,355,610
(ii) Approved but not contracted for:					
Capital expenditure	167,602	1,206,071	-	-	1,373,673
(iii) Other investment:					
Investment in Istanbul Sabiha Gokcen International Airport	-	176,809	-	-	176,809
Investment in Ibrahim Nasir International Airport f.k.a GMR Male International Airport	43,710	43,400	-	-	87,110
	43,710	220,209	-	-	263,919
	1,030,199	2,799,157	57,519	106,327	3,993,202

14. SUBSEQUENT EVENTS

There were no other material events subsequent to the end of the current quarter and financial period-to-date under review that requires disclosure or adjustments to the unaudited interim financial statements.



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

15. PERFORMANCE REVIEW

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2011 RM'000	Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year to date 30.09.2011 RM'000	Restated Preceding Year Corresponding Period 30.09.2010 RM'000
Revenue	652,828	623,778	1,917,449	1,647,405
Profit before tax and zakat	145,145	91,681	412,237	292,412

Revenue

The consolidated revenue of the Group for the current quarter and financial period-to-date under review were higher than the same corresponding period in the previous year by 4.6% or RM29.0 million and 16.4% or RM270.0 million respectively.

The improved revenue was mainly attributed to the effects of adopting IC 12 which resulted in recognition of construction revenue in relation to the construction of Klia2 and expansion of Penang International Airport in the current quarter and financial period-to-date of RM169.1 million and RM506.2 million respectively as compared to the amount recognised in the same period previous year of RM177.5 million and RM328.9 million respectively.

Stripping out the construction revenue, the consolidated revenue for the current quarter and financial period-to-date under review was higher than the same corresponding period in the previous year by 8.4% or RM37.4 million and 7.0% or RM92.8 million respectively.

The improvement in revenue for current quarter under review was mainly contributed by a positive growth of 7.4% from airport operations, driven by an increase in non-aeronautical revenue of 15.6% which was mostly derived from the Group's retail business.

Passenger movements for the current quarter under review were 10.8% higher than the corresponding period last year, in which the international and domestic passenger movements increased by 9.8% and 11.6% respectively.



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

15. PERFORMANCE REVIEW (Contd.)

Revenue (Contd.)

The improvement in revenue for the financial period-to-date under review was mainly contributed by a 6.1% growth in the airport operations business, as well as a 20.0% growth in the non-airport operations businesses. Positive growth in the airport operations was driven by a 16.3% improvement in the retail business.

Passenger movements for the financial period-to-date under review were 12.0% higher than the corresponding period last year, in which the international and domestic passenger movements grew 12.2 % and 11.7% respectively.

The Group's airport operations revenue was, however, impacted by airline incentives accrued in financial period-to-date of RM90.0 million which will be given out to airlines in the current financial year, as compared to RM27.7 million incurred in the corresponding period in the previous year. The airline incentives were granted to eligible airlines under the Airlines Recovery Program ("ARP") announced on 18 November 2009 and effective for a period of three years ending 31 December 2011.

Net revenue from non-airport operations for the financial period-to-date under review registered an increase of 20.0% or RM18.4 million compared with the previous corresponding period. The positive variance was derived from the agriculture and hotel segments. Despite the lower total crop harvested as a result of the 1,721 hectares of land surrendered for the construction of Klia2, revenue from the agriculture segment increased due to the higher fresh fruit bunch price which had increased by RM196 per MT (2011: 60,807MT / RM705, 2010:65,660MT/ RM509)

Hotel revenue grew 18.1% or RM8.2 million due to higher revenue from food and beverage related services and rooms occupancy rate which had improved to 68.6% from 67.8% in the corresponding period in the previous year.



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

15. PERFORMANCE REVIEW (Contd.)

Profit before tax and zakat

Profit before tax and zakat (PBT) for the current quarter and financial period-to-date under review were both higher compared to the previous corresponding period by 58.3% or RM53.5 million and 41.0% or RM119.8 million respectively.

The favourable PBT variance was attributed to the positive growth in revenue. The adoption of IC 12 has no impact to the PBT in the current quarter and financial period-to-date under review as no mark-up was applied to the construction cost incurred in deriving the construction revenue recognised.

In addition, the improvement in PBT was also as a result of lower interest on borrowings due to the settlement of short term borrowings at the end of 2010. Interest on long term borrowings for the current financial period has been capitalised as part of Klia2 construction costs as allowed under FRS 123 - Accounting for Borrowing Costs.

The favourable variance was also contributed by higher dividend received from investment in unquoted shares, lower share of associate losses, as well as the MAHB Group's cost saving initiatives resulting in lower repair maintenance and professional fees. Further, the Group was also able to recover certain debts which had been provided earlier as a result of settlements made by debtors.



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

15. PERFORMANCE REVIEW (Contd.)

ECONOMIC PROFIT STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2011 RM'000	Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year Quarter 30.09.2011 RM'000	Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000
Net Operating Profit Less Adjusted Tax (NOPLAT) computation.				
Earnings before interest and tax (EBIT*)	163,505	119,999	457,325	368,381
Adjusted Tax	(40,876)	(30,000)	(114,331)	(92,095)
NOPLAT	122,629	89,999	342,994	276,286
Economic charge computation				
Average invested capital	4,273,920	3,599,103	4,273,920	3,599,103
Weighted average cost of capital per annum	6.47%	7.09%	6.47%	7.09%
Economic Charge	69,131	63,794	207,392	191,382
Economic Profit	53,498	26,205	135,602	84,904

* EBIT is earning before finance costs, interest income and share of results of associates.

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 RM53.5 million for current quarter under review as compared with RM26.2 million in the corresponding period in the previous year, and RM135.6 million for the financial period-to-date under review as compared with RM 84.9 million in the corresponding period in the previous year.



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

15. PERFORMANCE REVIEW (Contd.)

HEADLINE KEY PERFORMANCE INDICATORS ("KPIs")

The Group's financial and operational performances for the financial period to-date under review against the annual Headline KPIs were as follows:-

	Headline KPIs	Actual achievement	% achieved
i) EBITDA (RM'000)	773,398	580,537	75.1%
ii) ROE	10.7%	8.2%	76.1%
iii) Airport Service Quality Survey Ranking ("ASQ Ranking")	KLIA Ranking top 5 Worldwide	i) 25-40 mppa - ranking at no.5 ii) Worldwide - ranking at no. 25	

16. MATERIAL CHANGE IN PROFIT BEFORE TAX AND ZAKAT OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

	INDIVIDUAL QUARTER	
	Current Year Quarter 30.09.2011 RM'000	Restated Immediate Preceding Quarter 30.06.2011 RM'000
Revenue	652,828	654,233
Profit before tax and zakat	145,145	134,143



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

16. MATERIAL CHANGE IN PROFIT BEFORE TAX AND ZAKAT OF CURRENT QUARTER AS COMPARED WITH PRECEDING QUARTER (Contd.)

Revenue

The consolidated revenue of the Group for the current quarter under review reduced by 0.2% or RM1.4 million as compared with the immediate preceding quarter. The negative variance was mainly due to lower construction revenue recorded, amounting to RM13.0 million. The construction revenue of RM169.1 million was recognised in the current quarter under review as compared with RM182.0 million recognised in respect of the immediate preceding quarter.

Stripping out the construction revenue, the consolidated revenue for the current quarter under review was RM11.6 million or 2.4% higher than the immediate preceding quarter.

The favourable variance was mainly contributed by a 2.3% positive growth in the airport operations business, as well as 4.0% in non-airport operations business. Positive growth in the airport operations business was driven by a 3.7% improvement in non-aeronautical revenue, while improvements in the non-airport operations was mainly contributed by higher revenue posted by the projects, operations & maintenance and hotel segments.

Profit before tax and zakat

Profit before tax and zakat for the current quarter under review was higher than the immediate preceding quarter by 8.2% or RM11.0 million mainly due to higher other income mainly due to dividend received from an investment in unquoted shares. However, the positive variance was reduced by higher loss arising from shares of associates' results.



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

17. DISPOSAL GROUP CLASSIFIED AS HELD FOR DISPOSAL

Assets and liabilities classified as held for sale in the consolidated balance sheet was for the auction segment of the Group, namely APAC, which ceased operation since October 2008. MAHB is currently in the process of having APAC dissolved.

The major classes of assets and liabilities of APAC classified as held for disposal in the consolidated statement of financial position as at 30 September 2011 and 31 December 2010 are as follows:

	30.09.2011	31.12.2010
	RM'000	RM'000
	Unaudited	Audited
Assets		
Trade and other receivables	492	492
Cash & bank balances	4	4
Assets of disposal group classified as held for disposal	<u>496</u>	<u>496</u>
Liabilities		
Trade & other payables	<u>229</u>	<u>229</u>



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

18. COMMENTARY ON PROSPECTS

The Group continues to benefit from the economic growth in Malaysia, the ASEAN region and other countries within the emerging markets. The expected future GDP growth as well as increases in tourism and consumer spending in these markets will provide positive support to the Group's operational and growth objectives. The local economy is expected to further grow, leveraging on the Economic Transformation Programme implemented by the government.

The airport operations segment is expected to continue contributing positively to the consolidated revenue of the Group in 2011. The aeronautical revenue streams would be highly dependent on passenger movements at all airports operated by the Group.

The International Air Transport Association ("IATA") has recently estimated a 5.9% world passenger traffic growth for 2011, an upward revision from an earlier forecast of 4.4% in June. However, the temporary improvement in passenger demand was unexpected and may not be expected to continue beyond the short term due to the growing likelihood of a protracted period of slow growth in the developed economies. The cargo growth forecast was reduced significantly to 1.4 % from the earlier 5.5 %. The significant reduction in cargo growth revision indeed reflects a slowing worldwide economy. Nevertheless, to date the overall impact of these factors to MAHB have been relatively low and at this juncture MAHB is optimistic that the overall passenger traffic performance at the airports operated by the Group will remain positive in 2011.

19. PROFIT FORECAST

The disclosure requirements for explanatory notes for the variance of actual profit attributable to equity holder of the company and forecast profit are not applicable.



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

20. TAXATION AND ZAKAT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Current tax	40,556	30,554	131,789	94,149
Deferred taxation	(4,451)	(969)	(752)	3,331
Zakat	839	-	2,924	-
	<u>36,944</u>	<u>29,585</u>	<u>133,961</u>	<u>97,480</u>

21. SALE OF PROPERTIES

There were no sales of properties since 31 December 2010.

22. INVESTMENTS IN QUOTED SECURITIES

There were no investments in quoted securities during the current quarter and financial period to-date under review.



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

23. STATUS OF CORPORATE PROPOSALS

- a) Save for the following, there are no other corporate proposals announced by the Group but not completed as at 24 October 2011 being a date not earlier than 7 days from the date of issuance of the quarterly report:

On 5 August 2010, the Company announced the proposed offering by MACB of Islamic Commercial Papers ("ICP") and Islamic Medium Term Notes ("IMTN") pursuant to an Islamic Commercial Paper Programme ("ICP Programme") and an Islamic Medium Term Notes Programme ("IMTN Programme"), respectively with a combined aggregate nominal value of up to RM3.1 billion (with a sub-limit of RM1.0 billion in nominal value for the ICP Programme) (collectively, the "Proposal"). The Proposal is deemed approved by the Securities Commission, vide its letter dated 18 August 2010, pursuant to Section 212(5) of the Capital Market and Services Act, 2007. On 30 August 2010, MACB completed the issuance of the first tranche comprising RM1.0 billion nominal value IMTNs pursuant to the IMTN Programme. The IMTNs issued under the first tranche have a tenure of ten (10) years from the date of issuance with a periodic distribution (coupon) rate of 4.55% per annum. On 17 December 2010, MACB completed the issuance of the second tranche comprising RM1.5 billion nominal value IMTNs pursuant to the IMTN Programme. The IMTNs issued under the second tranche have a tenure of twelve (12) years from the date of issuance with a periodic distribution (coupon) rate of 4.68% per annum.



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

23. STATUS OF CORPORATE PROPOSALS (Contd.)

b) The status of utilisation of proceeds raised from corporate proposals as at 24 October 2011 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

ICP Programme and IMTN Programme

Purpose	Proposed Utilisation (RM '000)	Actual Utilisation (RM '000)	Intended Timeframe for Utilisation	Deviation	
				Amount (RM '000)	%
To part finance the construction of Klia2 and/or to refinance MAHB's borrowings/ financings which were utilised for Shariah-compliant purposes and/or for MAHB's Shariah-compliant general corporate purposes	2,500,000	2,050,713	By 2012	-	-

24. BORROWINGS AND DEBT SECURITIES

BORROWINGS

	As at 30.09.2011 RM'000 unaudited	As at 31.12.2010 RM'000 audited
Long term borrowings		
Unsecured:		
Islamic Medium Term Notes ("IMTN")	2,500,000	2,500,000



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

25. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 24 October 2011.

26. CHANGES IN MATERIAL LITIGATION

Save for the updates involving claims by "XY Base" as stated in Note 12, there were no changes to material suits against the Company and its subsidiaries since 31 December 2010.

27. DIVIDEND PAYABLE

Final dividend in respect of financial year ended 31 December 2010 has been declared and paid as per Note 9. There were no other dividends paid or declared during the current quarter and financial period-to-date under review.



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

28. EARNINGS PER SHARE ("EPS")

Basic EPS

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2011 RM'000	Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year to date 30.09.2011 RM'000	Restated Preceding Year Corresponding Quarter 30.09.2010 RM'000
Profit from continuing operations attributable to owners of the parent	108,182	62,116	278,228	194,869
Weighted average number of ordinary shares in issue ('000)	1,100,000	1,100,000	1,100,000	1,100,000
Basic earnings per share (sen)	9.83	5.65	25.29	17.72

29. SUPPLEMENTAL EXPLANATORY NOTE ON DISCLOSURE OF REALISED AND UNREALISED PROFITS.

	As at 30.09.2011 RM'000	Restated As at 31.12.2010 RM'000
Total Retained Earnings		
- Realised	3,173,061	2,839,182
- Unrealised	(30,306)	(31,058)
	<u>3,142,755</u>	<u>2,808,124</u>
Total share of retained earnings/(accumulated losses) from associate companies:		
- Realised	(187,123)	(125,368)
- Unrealised	33,781	27,711
Less Consolidation Adjustments	<u>(1,413,112)</u>	<u>(1,315,456)</u>
Retained Earnings	<u>1,576,301</u>	<u>1,395,011</u>



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

30. AUTHORISATION FOR ISSUE

The interim condensed consolidated 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

25 October 2011