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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2013

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	*Restated Preceding Year Corresponding Quarter	Current Year To Date	*Restated Preceding Year Corresponding Period
		30.06.2013 RM'000	30.06.2012 RM'000	30.06.2013 RM'000	30.06.2012 RM'000
Revenue		978,156	807,816	2,005,379	1,465,521
Cost of inventories sold		(75,678)	(67,272)	(149,749)	(136,328)
Other income	7	35,338	26,038	64,112	54,631
Employee benefits expense		(138,420)	(127,971)	(266,937)	(234,903)
Construction Costs		(369,934)	(270,002)	(804,889)	(409,957)
Depreciation and amortisation		(64,541)	(65,134)	(124,837)	(112,676)
Other expenses	7	(228,957)	(168,453)	(395,338)	(320,510)
Operating profits		135,964	135,022	327,741	305,778
Finance costs		(7,596)	(4,972)	(13,477)	(9,193)
Share of results:					
- associates		1,703	11,916	(124)	(1,731)
- jointly controlled entities		1,903	(547)	3,438	233
Profit before tax and zakat		131,974	141,419	317,578	295,087
Taxation and zakat	22	(30,222)	(40,742)	(89,766)	(91,678)
Profit for the period from continuing operations		101,752	100,677	227,812	203,409
Discontinued Operation					
Profit for the period from discontinued operation		-	17	-	15
Profit for the period, net of tax and zakat		101,752	100,694	227,812	203,424
Attributable to:					
Owners of the parent		101,752	100,694	227,812	203,424
		101,752	100,694	227,812	203,424
Earnings per share attributable to owners of the parent (sen):					
Basic for profit from continuing operations		8.34	8.66	18.67	17.50
Basic for profit from discontinued operations		-	-	-	-
Basic for profit for the period	30	8.34	8.66	18.67	17.50

*Restated due to the result of discontinued operation.

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 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 JUNE 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2013 RM'000	*Restated Preceding Year Corresponding Quarter 30.06.2012 RM'000	Current Year To Date 30.06.2013 RM'000	*Restated Preceding Year Corresponding Period 30.06.2012 RM'000
Profit for the year, net of tax and zakat	101,752	100,694	227,812	203,424
Other comprehensive income:				
Available-for-sale financial assets				
- Loss on fair value changes	(843)	(2,883)	(1,039)	(2,378)
Share of other comprehehensive income of associates	(22)	-	(22)	-
Foreign currency translation	581	1,191	974	96
Other comprehensive income for the period,net of tax and zakat	(284)	(1,692)	(87)	(2,282)
Total comprehensive income	101,468	99,002	227,725	201,142
Attributable to:				
Owners of the parent	101,468	99,002	227,725	201,142

*Restated due to the result of discontinued operation.

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 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 JUNE 2013

	30.06.2013 RM'000 Unaudited	31.12.2012 RM'000 Audited
ASSETS		
Non-current Assets		
Property, plant and equipment	309,696	290,829
Plantation development expenditure	51,334	50,336
Land use rights	7,579	7,639
Intangible Assets	7,426,643	6,198,000
Investment in associates	23,424	20,378
Investment in jointly controlled entity	57,581	43,326
Available for sale investments	303,709	303,179
Trade receivables	-	1,250
Other receivables	359,160	353,748
Staff loans	38,812	35,330
Deferred tax assets	684	1,680
	8,578,622	7,305,695
Current Assets		
Inventories	117,011	99,097
Trade receivables	455,602	527,200
Other receivables	83,195	113,040
Cash and bank balances	97,227	774,166
	753,035	1,513,503
Assets of disposal group classified as held for disposal	63	63
TOTAL ASSETS	9,331,720	8,819,261

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	30.06.2013 RM'000 unaudited	31.12.2012 RM'000 Audited
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,232,444	1,210,000
Share premium	1,409,314	1,320,414
Retained earnings	1,961,706	1,826,758
Fair value adjustment reserve	4,075	5,136
Other reserve	2,546	2,546
Foreign exchange reserve	(4,600)	(5,574)
Total equity	4,605,485	4,359,280
Non-current Liabilities		
Other financial liability	182,332	176,562
Borrowings	3,100,000	3,100,000
Deferred income	48,235	38,621
Deferred tax liabilities	127,638	98,913
Other payables	576,927	212,274
	4,035,132	3,626,370
Current Liabilities		
Trade payables	68,165	142,847
Other payables	584,083	659,548
Income tax payable	38,795	31,156
	691,043	833,551
Liabilities of disposal group		
classified as held for disposal	60	60
Total liabilities	4,726,235	4,459,981
TOTAL EQUITY AND LIABILITIES	9,331,720	8,819,261

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2012 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 JUNE 2013

	Attributable to equity holders of the Company						
	Non- distributable					Distributable	
	Share Capital RM'000	Share Premium RM'000	Fair value Adjustment Reserve RM'000	Foreign Exchange Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000	Total equity RM'000
At 1 January 2012	1,100,000	822,744	812	(4,401)	2,546	1,625,168	3,546,869
Total comprehensive income for the period	-	-	(2,378)	96	-	203,424	201,142
Transaction with owners							
Issuance of new shares via private placement	110,000	497,622	-	-	-	-	607,622
Dividends	-	-	-	-	-	(120,270)	(120,270)
At 30 June 2012	1,210,000	1,320,366	(1,566)	(4,305)	2,546	1,708,322	4,235,363
At 1 January 2013	1,210,000	1,320,414	5,136	(5,574)	2,546	1,826,758	4,359,280
Total comprehensive income for the period	-	-	(1,061)	974	-	227,812	227,725
Transaction with owners							
Shares issued persuant to Dividend Reinvestment Plan	22,444	88,900	-	-	-	-	111,344
Dividends	-	-	-	-	-	(92,864)	(92,864)
At 30 June 2013	1,232,444	1,409,314	4,075	(4,600)	2,546	1,961,706	4,605,485

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 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 JUNE 2013

	30.06.2013 RM'000 Unaudited	30.06.2012 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax and zakat from:		
Continuing operations	317,578	295,087
Discontinued operation	-	15
Adjustments for:		
Interest income	(7,992)	(9,573)
Interest from late payments	(2,281)	(2,139)
Interest expense	13,477	9,193
Provision for liabilities	1,027	2,602
Amortisation of:		
- Intangible assets	105,219	88,082
- plantation development expenditure	1,382	1,306
- land use rights	60	60
Depreciation of property, plant and equipment		
-Continuing operations	18,175	23,228
-Discontinued operation	-	1
Amortization of premium on investments	17	38
Net write back of doubtful debts		
-Continuing operations	(5,164)	(548)
-Discontinued operations	-	(1)
Net of bad debt written off	7,203	25
Loss / (gain) on disposal of:		
- property,plant and equipment	2,178	(73)
- intangible assets	(8)	-
- bonds	-	(641)
- other investment	(115)	(203)
Property, plant and equipment written off	81	4
Intangible assets written off	76	441
Net of inventories written off	947	6,344
Retirement benefits	-	2,335
Investment income	(11,993)	(6,282)
Profit from construction contract	(36,502)	(20,002)
Share of results of:		
- Associates	124	1,731
- Jointly controlled entities	(3,438)	(233)
Operating profit before working capital changes	400,051	390,797
Increase in inventories	(18,861)	(18,691)
Decrease in receivables	99,613	152,188
Decrease in payables	(94,217)	(187,002)
Decrease in provisions for liabilities	(1,571)	(1,736)
Cash generated from operations	385,015	335,556
Tax and Zakat paid	(52,405)	(83,959)
Retirement benefits paid	-	(790)
Net cash generated from operating activities	**332,610**	**250,807**

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2013 (CONTD.)

	30.06.2013 RM'000 Unaudited	30.06.2012 RM'000 Unaudited
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of:		
- property, plant and equipment	(83,685)	(78,302)
- intangibles assets	(864,734)	(518,987)
- quoted shares	-	(92,356)
- plantation development expenditure	(2,381)	(460)
- other investments	-	(520)
Proceed from disposal of:		
- property, plant and equipment	85	73
- other investments	5,344	-
Advance to associate	(3,191)	(2,062)
Redemption of bonds	-	6,105
Investment income received	11,899	6,282
Dividend received from associate	-	2,400
Interest received	2,426	4,086
Net cash used in investing activities	**(934,237)**	**(673,741)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Share issuance expenses	-	(8,378)
Proceeds from issuance of shares	-	110,000
Proceeds from issuance of share at premium	-	497,622
Repayment of concession payable	(11,019)	(6,172)
Interest paid	(11,299)	(2,787)
Dividends paid to shareholders of the Company	(53,008)	(120,270)
Net cash generated (used in)/from financing activities	**(75,326)**	**470,015**
Net decrease in cash and cash equivalents	**(676,953)**	**47,081**
Effects of foreign currency translation	14	-
Cash and cash equivalents at beginning of period	774,166	778,347
Cash and cash equivalents at end of period	**97,227**	**825,428**
Cash and cash equivalents comprising:		
Cash and bank balances	45,509	52,235
Short term deposits	51,718	773,193
	97,227	**825,428**

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

1. BASIS OF PREPARATION

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 2012. 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 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2012, except as follows:

On 1 January 2013, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2013.

<u>Effective for financial periods beginning on or after 1 July 2012</u>

Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

<u>Effective for financial periods beginning on or after 1 January 2013</u>

Amendments to FRS 101: Presentation of Financial Statements (Improvements to FRSs (2012))

FRS 10 Consolidated Financial Statements

FRS 11 Joint Arrangements

FRS 12 Disclosure of interests in Other Entities

FRS 13 Fair Value Measurement

FRS 119 Employee Benefits

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

FRS 127 Separate Financial Statements

FRS 128 Investment in Associate and Joint Ventures

Amendment to IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments (Improvements to FRSs (2012))

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Government Loans

Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Improvements to FRSs (2012))

Amendments to FRS 116: Property, Plant and Equipment (Improvements to FRSs (2012))

Amendments to FRS 132: Financial Instruments: Presentation (Improvements to FRSs (2012))

Amendments to FRS134: Interim Financial Reporting (Improvements to FRSs (2012))

Amendments to FRS 10: Consolidated Financial Statements: Transition Guidance

Amendments to FRS 11: Joint Arrangements: Transition Guidance

Amendments to FRS 12: Disclosure of Interests in Other Entities: Transition Guidance

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application. The nature of changes in accounting policy are described below:

FRS 10 Consolidated Financial Statements

FRS 10 replaces part of FRS 127 Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Under FRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its involvement with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under FRS 127 Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

FRS 10 includes detailed guidance to explain when an investor has control over the investee. FRS 10 requires the investor to take into account all relevant facts and circumstances.

FRS 11 Joint Arrangements

FRS 11 replaces FRS 131 Interests in Joint Ventures and IC Interpretation 113 Jointly-Controlled Entities – Non-monetary Contributions by Venturers.

The classification of joint arrangements under FRS 11 is determined based on the rights and obligations of the parties to the joint arrangements by considering the structure, the legal form, the contractual terms agreed by the parties to the arrangement and when relevant, other facts and circumstances. Under FRS 11, joint arrangements are classified as either joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

FRS 11 removes the option to account for jointly controlled entities ("JCE") using proportionate consolidation. Instead, JCE that meet the definition of a joint venture must be accounted for using the equity method.

A joint operator shall account for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the FRSs applicable to the particular assets, liabilities, revenues and expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

FRS 12 Disclosures of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 127 Separate Financial Statements

As a consequence of the new FRS 10 and FRS 12, FRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

FRS 128 Investment in Associate and Joint Ventures

As a consequence of the new FRS 11 and FRS 12, FRS 128 is renamed as FRS 128 Investments in Associates and Joint Ventures. This new standard describes the application of the equity method to investments in joint ventures in addition to associates.

Amendments to FRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

The amendments to FRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affects presentation only and has no impact on the Group's financial position and performance.

Standards issued but not yet effective

Effective for financial periods beginning on or after 1 January 2014

Amendments to FRS 132 Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 10, FRS 12 and FRS 127 Investment Entities

Effective for financial periods beginning on or after 1 January 2015

FRS 9: Financial Instruments Activities

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

FRS 9 Financial Instruments: Classification and Measurement

FRS 9 reflects the first phase of the work on the replacement of FRS 139 Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139 Financial Instruments: Recognition and Measurement. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is a fully IFRS-compliant framework which is applicable for all non-private entities for annual periods beginning on or after 1 January 2012, other than Transitioning Entities (TEs), which may defer adoption by two years in view of potential changes on the horizon which may change current accounting treatments.

TEs are non-private entities within the scope of MFRS 141 – Agriculture and IC Interpretation 15 – Agreements for the Construction of Real Estate, including their parent, significant investor and venturer. The Group being a TE, will adopt the MFRS Framework with effect from 1 January 2014.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2012 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 cyclicality 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.

6. SEGMENT INFORMATION

The Group is organised into business units and has the following reportable operating segments which are classified under airport operations and non-airport operations activities:-

Airport Operations:-

a) Duty free and non-dutiable goods

To operate duty free and non-duty free outlets and provide services in respect of food and beverage outlets at airports in Malaysia.

b) Airport services

To manage, operate and maintain designated airports in Malaysia and to provide airport related services.

Non-Airport Operations:-

a) Agriculture and horticulture

To cultivate and sell oil palm and other agricultural products and to carry out horticulture activities.

6. SEGMENT INFORMATION (Contd')

b) Hotel

To manage and operate a hotel, known as Sama – Sama Hotel KL International Airport.

c) Project and repair maintenance

To provide consultancy, operations and maintenance of Information and Communication Technology business ventures and provision of mechanical and civil engineering services in connection with the airport industry.

There has been no material change in the total assets and no difference in the basis of segmentation or in the basis of measurement of segment profit or loss compared to the last financial statements for the year ended 31 December 2012.

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
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6. SEGMENT INFORMATION (Contd.)

	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
For the period ended 30 June 2013										
Segment Revenue										
External:										
Aeronautical	578,629	-	-	-	-	-	-	578,629	-	578,629
Non-aeronautical:										
Retail	-	283,902	-	-	-	-	-	283,902	-	283,902
Others	239,659	-	17,705	32,300	11,793	-	-	301,457	-	301,457
Construction	841,391	-	-	-	-	-	-	841,391	-	841,391
Internal	76,322	1,001	12,286	205	1,455	-	(91,269)	-	-	-
	1,736,001	284,903	29,991	32,505	13,248	-	(91,269)	2,005,379	-	2,005,379
Segment Results										
Profits from operations	434,121	22,231	804	2,761	(1,891)	(5,448)	-	452,578	-	452,578
Depreciation and amortisation	(105,885)	(2,991)	(63)	(6,048)	(1,803)	(8,047)	-	(124,837)	-	(124,837)
Finance costs	(13,465)	-	-	-	(6)	(6)	-	(13,477)	-	(13,477)
Share of results of associates:										
- associates	1,857	-	-	-	-	(1,981)	-	(124)	-	(124)
- jointly controlled entity	-	-	-	461	-	2,977	-	3,438	-	3,438
Profit /(loss) before tax and zakat	316,628	19,240	741	(2,826)	(3,700)	(12,505)	-	317,578	-	317,578
As at 30 June 2013										
Assets and Liabilities										
Segment assets	5,898,030	201,489	81,117	140,223	59,770	7,340,882	(4,470,859)	9,250,652	63	9,250,715
Investment in associates	22,007	-	-	-	-	1,417	-	23,424	-	23,424
Investment in Jointly Controlled Entity	-	-	-	-	-	57,581	-	57,581	-	57,581
Total assets	5,920,037	201,489	81,117	140,223	59,770	7,399,880	(4,470,859)	9,331,657	63	9,331,720
Segment liabilities representing Total liabilities	2,275,678	91,070	6,551	42,764	(5,783)	4,722,636	(2,406,741)	4,726,175	60	4,726,235

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
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6. SEGMENT INFORMATION (Contd.)

	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
For the period ended 30 June 2012										
Segment Revenue										
External:										
Aeronautical	491,830	-	-	-	-	-	-	491,830	-	491,830
Non-aeronautical:										
Retail	-	258,825	-	-	-	-	-	258,825	-	258,825
Others	650,277	-	3,784	39,264	21,541	-	-	714,866	-	714,866
									-	-
Internal	71,473	1,120	12,383	347	1,380	-	(86,703)	-		-
	1,213,580	259,945	16,167	39,611	22,921	-	(86,703)	1,465,521	-	1,465,521
Segment Results										
Profits from operations	411,302	16,462	(4,186)	9,299	6,664	(18,687)	(2,400)	418,454	16	418,470
Depreciation and amortisation	(96,848)	(2,568)	(70)	(4,029)	(1,715)	(7,446)	-	(112,676)	(1)	(112,677)
Finance costs	(9,179)	-	(9)	-	(1)	(4)	-	(9,193)	-	(9,193)
Share of results of associates:										
- associates	1,992	-	-	-	-	(3,723)	-	(1,731)	-	(1,731)
- jointly controlled entity	-	-	-	-	-	233	-	233	-	233
Profit /(loss) before tax and zakat	307,267	13,894	(4,265)	5,270	4,948	(29,627)	(2,400)	295,087	15	295,102
As at 30 June 2012										
Assets and Liabilities										
Segment assets	6,062,131	176,128	155,439	129,051	89,250	6,966,633	(5,711,039)	7,867,593	446	7,868,039
Investment in associates	18,382	-	-	-	-	56,212	-	74,594	-	74,594
Investment in Jointly Controlled Entity	-			-	-	43,810	-	43,810	-	43,810
Total assets	6,080,513	176,128	155,439	129,051	89,250	7,066,655	(5,711,039)	7,985,997	446	7,986,443
Segment liabilities representing										
Total liabilities	2,817,333	82,816	89,240	19,633	22,913	4,402,654	(3,683,687)	3,750,902	178	3,751,080

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

7. NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	*Restated Preceding Year Corresponding Quarter	Current Year To Date	*Restated Preceding Year Corresponding Period
	30.06.2013 RM'000	30.06.2012 RM'000	30.06.2013 RM'000	30.06.2012 RM'000
Included in Other Income:				
Interest income:				
-Unquoted Investment and staff loan	1,055	1,400	2,236	3,730
-Other loan and receivables	2,782	2,745	5,565	5,488
- available-for-sale financial assets	96	162	191	355
Investment Income	9,820	5,076	11,993	6,282
Net realised foreign exchange (loss)/gain	(138)	520	1,686	2,526
Net (loss)/gain on disposal of:				
- Property, plant and equipment	(2,178)	73	(2,178)	73
- Intangible assets	8	-	8	-
- Bond	-	641	-	641
- Investment	102	170	115	203
Recoupment of expenses	15,168	17,207	31,857	31,100
Included in Expenses:				
Interest expense:				
- Concession payables	6,500	1,372	11,298	2,787
- Financial liabilities	1,096	3,600	2,179	6,406
Net write back of doubtful debt:				
- Continuing operations	(5,728)	(2,440)	(5,164)	(548)
- Discontinued operations	-	-	-	(1)
Net bad debt written off:	5,792	50	7,203	25
Property, plant and equipment written off	81	4	81	4
Intangible assets written off	76	435	76	441
User fees	82,398	24,128	108,237	46,655

*Restated for the result of discontinued operation.

8. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

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

9. DEBT AND EQUITY SECURITIES

On 21 January 2013, the Company has increased the share issued and paid-up share capital of the Company to 1,217,088,046 via issuance of 7,088,046 new ordinary shares of RM1.00 each pursuant to DRP as stated in note 25, in relation to the single-tier interim dividend of 6.0% for the financial year ended 31 December 2012.

On 13 May 2013, the Company has further increased the share issued and paid-up share capital of the Company to 1,232,443,879 via issuance of 15,355,833 new ordinary shares of RM1.00 each pursuant to DRP as stated in note 25, in relation to the single-tier final dividend of 7.63% pursuant to financial year ended 31 December 2012.

The new ordinary shares issued during the financial period rank pari passu in all respect with the existing shares of the Company.

Save for the above, there were no other 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.

10. DIVIDENDS PAID

A single-tier interim dividend of 6 sen per ordinary share in respect of the financial year ended 31 December 2012 was declared on 23 October 2012. The interim dividend totalling to RM72.60 million was paid on 18 January 2013, in which RM33.53 million was reinvested on 21 January 2013.

10. DIVIDENDS PAID (contd')

A single-tier final dividend of 7.63 sen per ordinary share in respect of the financial year ended 31 December 2012 was approved by the Shareholders at its Annual General Meeting held on 28 March 2013. The final dividend totalling to RM92.86 million in which RM78.93 million was reinvested on 14 May 2013.

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

11. CARRYING AMOUNT OF REVALUED ASSETS

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

12. CHANGES IN COMPOSITION OF THE GROUP

On 2 January 2013, KL Airport Hotel Sdn Bhd ("KLAH''), a wholly-owned subsidiary and ATOZ Hospitality Services Sdn Bhd ("ATOZ"), had incorporated a private limited Joint Venture Company under the name of Sama-Sama Hospitality Management Sdn Bhd ("SSHM") for the purpose of operating and managing a new airport hotels brand known as "Sama-Sama Hospitality Group" which comprised two sub-brands namely, "Sama-Sama Hotel" and "Sama-Sama Express". The issued share capital of SSHM is amounting to RM100 in which 51%is held by KLAH and 49% by ATOZ.

There were no changes in the composition of the Group during the current quarter and financial period-to-date under review.

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) As at 30 June 2013, the Company provided corporate guarantees as follows:

   a) RM32,960,000 (June 2012: RM32,080,000) for the purpose of guarantee to a financial institution for credit facilities granted to Istanbul Sabiha Gokcen International Airport Investment Development and Operation Inc ("ISG").

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Contd.)

b) RM8,652,000 (June 2012: RM13,634,000) for the purpose of guarantee to a financial institution for credit facilities granted to LGM Airport Operations Trade and Tourism Inc, a related company of ISG.

c) RM24,720,000 (June 2012:RM24,060,000) for advance payment guarantee to a Duty Free Operator at ISG.

The company has assessed the financial guarantee contracts and concluded that the guarantees are more likely not to be called upon by the banks and accordingly not recognised as financial liability as at 30 June 2013.

ii) XY Base Technologies Sdn Bhd ("Plaintiff") had filed an application against the Group ("Defendants") in the High Court (Suit No. 22-87-2022) for the following claims:

(a) The sum of RM6,467,000 against MA (Sepang) against MA (Sepang) for software support ("Software Support");

(b) General damages for unlawful interference with the Plaintiff's employees against all the Defendants;

(c) General damages for breach of memorandum of understanding/joint venture with the Plaintiff against all the Defendants; and

(d) General damages for breach and unlawful use of confidential information/business plan with Plaintiff against all the Defendants.

The High Court had, on 23 September 2011 allowed the Plaintiff's claim against MA (Sepang) in respect of items (a) and (b) above respectively and the judgment sum of RM6,467,000 for Software Support has been paid accordingly by MA Sepang. Subsequently, the High Court fixed the matter for Hearing to assess the damages in respect of the Defendants' liabilities as to the poaching with the Plaintiff's employees. After several postponement to the Hearing, the Court had set the matter for mediation on 24 June 2013 for the Parties to resolve the quantum of the damages amicably. During the mediation, the plaintiff has proposed RM1,000,000 as full and final

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Contd.)

settlement and pending the approval by the Defendants' management, the court has fixed 29 July 2013 for further mediation.

iii) On 13 December 2011, the Court of Appeal ("COA") has reversed the judgment by the High Court in respect of the legal suit by Federal Express Brokerage Sdn Bhd, United Parcel Service (M) Sdn Bhd and UPS SCS (Malaysia) Services Sdn Bhd (collectively referred to as "the Appellants") against Malaysia Airports (Sepang) Sdn Bhd ("MA (Sepang)").

Based on advice from the Group's legal counsel, MA (Sepang) filed an application for leave to appeal on 22 December 2011 and such other relevant application against the COA's decision to the Federal Court.

On 31 May 2012, the Group announced that in response to Notices under Section 218(1)(e) of the Companies Act served on MA Sepang on 1 February 2012 by the Appellants, MA (Sepang) had filed an application for Fortuna Injunction in the High Court to refrain the Appellants from presenting any winding up petitions against MA (Sepang). The High Court had on 29 May 2012 allowed the said application with costs of RM15,000 to be paid by the Appellants jointly within one month from the date of the said order.

On 18 September 2012, the Federal Court granted MA (Sepang)'s application for leave to appeal and the Attorney General's application to intervene and the matter was set for hearing. The Federal Court had on 25 February 2013 heard the oral submissions from the parties to the appeal of this matter but the decision is yet to be delivered by Federal Court to a date to be notified later. In view of the ongoing legal proceedings, other than the relevant information disclosed in the financial statements, any further disclosures may be prejudicial to the outcome of the appeal.

Save for the above, there were no other changes in contingent liabilities since 31 December 2012. The Group has no contingent assets.

14. RELATED PARTY TRANSACTIONS AND BALANCES

Related Party Transactions:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30.06.2013 RM'000	30.06.2012 RM'000	30.06.2013 RM'000	30.06.2012 RM'000
Revenue/Other Income:				
Associate:				
KL Aviation Fuelling System Sdn. Bhd.	1,445	1,445	2,890	2,890
Istanbul Sabiha Gokcen International Airport	1,592	1,492	2,592	2,242
LGM Airport Operations Trade and Tourism Inc	-	250	-	500
GMR Male International Airport	-	496	-	806
Jointly Controlled Entities:				
Segi Astana Sdn. Bhd.	318	318	636	636
Airport Cooling Energy Supply Sdn. Bhd.	211	179	429	358
Sama-Sama Hospitality Management Sdn Bhd	60	-	90	-
Expenses:				
Jointly Controlled Entities:				
Sama-Sama Hospitality Management Sdn Bhd	384	-	1,090	-
Airport Cooling Energy Supply Sdn. Bhd.	16,047	-	26,744	-

Related Party Balances:

	As at 30.06.2013 RM'000 Unaudited	As at 31.12.2012 RM'000 Audited
Amount owing by associate companies	4,010	5,057
Amount owing to jointly controlled entities	19,827	-

15. CAPITAL COMMITMENTS

The amount of commitments for the lease rental, purchase of property, plant and equipment, construction of the terminal building and other investment not provided for in the interim condensed consolidated financial statements as at 30 June 2013 were as follows:

	Due year 2013 RM'000	Due year 2014 to 2018 RM'000	Due year 2019 to 2066 RM'000	Total RM'000
(i) Approved and contracted for:				
Lease rental payable to the GoM other than within the operating agreements	-	-	66,063	66,063
Capital expenditure	637,149	496,834	-	1,133,983
	637,149	496,834	66,063	1,200,046
(ii) Approved but not contracted for:				
Capital expenditure	705,093	-	-	705,093
(iii) Other investment:				
Investment in Istanbul Sabiha Gokcen International Airport	47,256	-	-	47,256
	1,389,498	496,834	66,063	1,952,395

16. 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 interim financial statements.

17. PERFORMANCE REVIEW

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2013 RM'000	Restated Preceding Year Corresponding Quarter 30.06.2012 RM'000	Current Year To Date 30.06.2013 RM'000	Restated Preceding Year Corresponding Period 30.06.2012 RM'000
Revenue	978,156	807,816	2,005,379	1,465,521
Profit before tax and zakat	131,974	141,419	317,578	295,087

Revenue

The consolidated revenue of the Group for the current quarter and financial period-to-date under review was 21.1% or RM170.3 million and 36.8% or RM539.9 million higher than the respective corresponding period in the previous year.

a) Airport Operations

Included in the airport operations' revenue in the current quarter and financial period-to-date under review was the construction revenue of RM386.7 million and RM841.4 million respectively, compared to the RM283.4 million and RM430.0 million recognised in the corresponding period in the previous year. The construction revenue was recognised in relation to the construction of klia2 and the expansion of Penang International Airport.

17. PERFORMANCE REVIEW (Contd.)

Revenue (Contd.)

Excluding the construction revenue, the Group recorded 14.7% or RM72.6 million and 13.5% or RM131.2 million improvement in the airport operation's revenue for the current quarter and the financial period-to-date under review respectively. The improvement was mainly attributed to an increase in aeronautical revenue of 21.7% or RM54.4 million and 17.6% or RM86.8 million for the current quarter and financial period-to-date under review respectively. The improvement in aeronautical revenue was driven by higher passenger and aircraft movements as well as the implementation of new Landing charges with an increase of 9% per annum effective 1 January 2012, 1 January 2013 and 1 January 2014 (compounded annually).

The favourable variance in the airport operations' revenue was also contributed by an increase in non-aeronautical revenue of 7.5% or RM18.3 million and 9.3% or RM44.4 million for the current quarter and financial period to-date respectively. The improvement was driven by higher commercial and retail revenue on the back of higher passenger growth.

The Group's retail business improved by 11.2% or RM14.3 million and 9.7% or RM25.0 million, in the current quarter and financial period-to-date under review respectively, riding on the passenger growth and various promotional activities.

17. PERFORMANCE REVIEW (Contd.)

Revenue (Contd.)

a) Airport Operations (Contd.)

The passenger movements for the current quarter under review increased by 18.3% as compared to the corresponding period last year, in which the international and domestic passenger movements increased by 16.6% and 19.9% respectively. Passenger movements at KLIA-Main Terminal and KLIA-LCCT increased by 23.8% (international: +19.2%, domestic: +40.0%) and 15.6% (international: +17.0%, domestic: +13.4%) respectively.

The passenger movements for the financial period-to-date under review increased by 13.6% as compared to the corresponding period last year, in which the international and domestic passenger movements increased by 14.4% and 12.8% respectively. Passenger movements at KLIA-Main Terminal and KLIA-LCCT increased by 19.7% (international: +17.3%, domestic: +28.2%) and 11.1% (international: +13.0%, domestic: +8.1%) respectively.

b) Non-Airport Operations

Net revenue from non-airport operations for the current quarter and financial period-to-date under review registered a decrease of 17.9% or RM5.7 million and 4.3% or RM2.8 million as compared with the previous corresponding period respectively.

Revenue contributed from the agriculture segment in the current quarter and financial period-to-date decreased by 54.1% or RM6.7 million and 45.3% or RM9.7 million as compared to the previous corresponding period respectively. Similarly, revenue in the Hotel segment dropped by 28% or RM5.1 million and RM17.7% or RM7.0 million in the current quarter and financial period-to-date as compared to the previous corresponding period respectively. However, the project and repair maintenance revenue in the current quarter and financial period-to-date increased by more than 100% or RM6.1 million and RM13.9 million as compared to the previous corresponding period respectively.

17. PERFORMANCE REVIEW (Contd.)

Revenue (Contd.)

b) Non-Airport Operations (Contd.)

The decrease in the agriculture revenue was attributed to lower price attained for fresh fruit bunches ("FFB") per tonne (RM175 or 27.4% lower) coupled with lower production volume for the period (a decrease of 7,485MT or 22.6%) (2013: 25,612MT / RM464, 2012: 33,097MT / RM639).

The decrease in the Hotel revenue was attributed to the lower revenue from food and beverage and rooms segment by 29% or RM5.6 million and 7% or RM1.4 million respectively. These were due to the lower occupancy rate by 4% (2013: 61%, 2012: 65%) as a result of rooms renovation exercise which was completed on 4th of April 2013 and the discontinuation of MAS Golden Lounge catering contract in April 2013.

The Project and repair maintenance revenue grew mainly due to the higher sales of Airport Ground Lighting System ("AGL").

Profit before tax and zakat

The consolidated Profit before tax and zakat (PBT) for the current quarter under review was 6.7% or RM9.4 million lower as compared to the corresponding period in the previous year.

Included in the PBT for the current quarter was a construction profit of RM16.8 million, an increase of 25.9% or RM3.5 million as compared to the same period in the previous year.

Excluding the construction profit, the PBT for the current quarter under review was RM115.2 million, a decrease of 10.0% or RM12.9 million as compared to the corresponding period last year. The unfavourable PBT variance was attributed to the higher operating costs of the Group.

17. PERFORMANCE REVIEW (Contd.)

Profit before tax and zakat

Total cost (excluding construction cost) for the current quarter under review increased by 18.4% or RM78.8 million mainly due to the increase in user fee, staff costs, utilities and repair maintenance.

The higher user fee expense was attributable to the recognition of 100% user fee on the income statement. As set out in the Operating Agreements signed on 12 February 2009, MAHB is required to pay user fee to the Government of Malaysia which is equal to a specified percentage of revenue derived from activities at the airports as a consideration for the Concession Rights granted to MAHB. The amount had been recognised in the income statement represents half of the total user fee payable to the Government of Malaysia, while the other half is to reduce the amount due for the Balance Residual Payment arising from MAHB's restructuring exercise which was completed in February 2009. Upon the full settlement of the Balance Residual Payment in April 2013, the user fee is fully recognised in the income statement.

The higher staff costs were mainly due to the annual increments, bonus and additional recruitment. The higher utilities cost was mainly attributable to higher passenger movements and higher repair and maintenance incurred at various airports.

The consolidated Profit before tax and zakat (PBT) for the financial period-to-date under review was 7.6% or RM22.5 million higher than the corresponding period in the previous year.

Included in the PBT in the financial period-to-date under review was a construction profit of RM36.5 million derived from the construction of klia2 and Penang International Airport, representing an increase of 82.5% or RM20.0 million as compared to the same period in the previous year.

Excluding the construction profit, the PBT increased by 2.2% or RM6.0 million. The favourable PBT variance was attributed to the positive growth in the revenue, higher other income and lower share of associate losses.

Other income increased mainly due to the dividend received from Gas District Cooling Sdn Bhd ("GDC") amounting to RM8.7 million.

17. PERFORMANCE REVIEW (Contd.)

Profit before tax and zakat

Share of associate results shows a positive variance primarily due to the lower loss recognised from Istanbul Sabiha Gokcen International Airport ("ISGIA").

The Group has not recognised further losses relating to the GMR Male International Airport Private Limited ("GMIAL") and ISGIA where their share of losses exceeded the Group's interest and the extent of the Group's legal and constructive obligations in its investment in GMIAL and ISGIA. In January 2013, the Group has contributed a capital advance to ISGIA amounting to RM3.2 million, therefore, the total interest and obligation in ISGIA as at 30 June 2013 increased to RM222.0 million. Hence, the Group had to further absorb RM3.2 million losses in 2013 instead of the RM33.4 million losses being the 20% shares of losses from ISGIA for YTD June 2013.

The Group's cumulative share of unrecognised losses in the current financial period under review was RM121.6 million (GMIAL: RM58.0 million and ISGIA: RM63.6 million). In addition, there was a share of profit from the investment in LGM Airport Operations Trade and Tourism Inc amounting to RM1.2 million. However, the favourable variance was negated as the Group no longer recognised share of profit from GMIAL (YTD June 2012: RM13.4 million). On 27 November 2012, the Maldivian Government declared the concession agreement with GMIAL awarded in 2010, as void. The Group has no further obligation in respect of these losses and until such time where the associates are in a profitable position, the Group will start to recognise the share of profits only after its share of profits equals the share of losses not recognised.

Positive variance in share of profit of a Jointly Controlled Entity was contributed by Airport Cooling Energy Supply Sdn Bhd amounted to RM3.5 million.

17. PERFORMANCE REVIEW (Contd.)

ECONOMIC PROFIT STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2013 RM'000	Preceding Year Corresponding Quarter 30.06.2012 RM'000	Current Year To Date 30.06.2013 RM'000	Preceding Year Corresponding Quarter 30.06.2012 RM'000
Net Operating Profit Less Adjusted Tax (NOPLAT) computation.				
Earnings before interest and tax (EBIT*)	132,032	130,716	319,750	296,204
Adjusted Tax	(33,008)	(32,679)	(79,938)	(74,051)
NOPLAT	99,024	98,037	239,813	222,153
Economic charge computation				
Average invested capital	7,186,582	5,527,950	7,186,582	5,527,950
Weighted average cost of capital per annum	7.72%	6.34%	7.72%	6.34%
Economic Charge	138,701	87,618	277,402	175,236
Economic (Loss)/Profit	(39,677)	10,419	(37,589)	46,917

* 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.

17. PERFORMANCE REVIEW (Contd.)

ECONOMIC PROFIT STATEMENT

The Group recorded an economic loss of RM39.7 million for the current quarter under review compared to an economic profit of RM10.4 million in the corresponding period in the previous year. Similarly, the Group also recorded an economic loss of RM37.6 million for the financial period-to-date under review compared to an economic profit of RM46.9 million in the corresponding period last year. The economic loss was due to the higher average invested capital resulting from cost incurred for the construction of klia2.

HEADLINE KEY PERFORMANCE INDICATORS ("KPIs")

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

		Headline KPIs for year 2013		Actual achievments 30 June 2013	
		Without Construction Profit	With Construction Profit	Without Construction Profit	With Construction Profit
i)	EBITDA (RM'000)	750,878	807,654	416,076	452,578
ii)	Airport Service Quality Survey Ranking	25-40 million passenger size category: KLIA Ranking Top 5		25-40 mppa - ranking at no.4	

Construction profit is recognised for construction of klia2 and expansion of Penang International Airport in compliance with IC Interpretation 12: Service Concession Arrangement ("IC12")

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

	INDIVIDUAL QUARTER	
	Current Year Quarter 30.06.2013 RM'000	Restated Immediate Preceding Quarter 31.03.2013 RM'000
Revenue	978,156	1,027,223
Profit before tax and zakat	131,974	185,602

Revenue

The consolidated revenue of the Group for the current quarter under review decreased by 4.8% or RM49.1 million as compared to the immediate preceding quarter. The negative variance was mainly attributed to the lower construction revenue, which decreased by 14.9% or RM67.9 million as compared to the immediate preceding quarter. A construction revenue of RM386.7 million was recognised in the current quarter under review as compared to the RM454.6 million recognised in the immediate preceding quarter.

Excluding the construction revenue, the consolidated revenue for the current quarter under review was 3.3% or RM18.8 million higher as compared to the immediate preceding quarter, mainly due to a 5.3% or RM28.6 million growth in the airport operations segment. This was however negated by a decrease in the non-airport operation segment by 27.2% or RM9.7 million.

The passenger movements for the current quarter under review increased by 12.3% as compared to the immediate preceding quarter, in which the international and domestic passenger movements increased by 5.6% and 19.3% respectively. Passenger movements at KLIA-Main Terminal and KLIA-LCCT increased by 13.3% (international: +7.8%, domestic: +33.9%) and 7.5% (international: +4.5%, domestic: +12.7%) respectively.

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

Revenue (Contd.)

a) Airport Operation

Revenue from the airport operations grew 5.3% or RM28.6 million primarily due to a 11.1% or RM30.4 million increase in the aeronautical revenue. This was attributed to the higher passenger service charge revenue and landing revenue which grew 12.5% or RM21.3 million and 14.2% or RM9.8 million respectively. The favourable variance was negated by the higher airline incentives accrued in the current quarter under review of RM18.0 million as compared to the RM13.2 million accrued in the immediate preceding quarter.

The non-aeronautical revenue decreased slightly by less than 1.0% or RM1.8 million due to the lower retail revenue by less than 1.0% or RM0.7 million.

a) Non-Airport Operations

Revenue from Non-Airport Operations segment recorded a decline of 27.2% or RM9.7 million in the current quarter, mainly due to the lower revenue recorded by the hotel, project and repair maintenance and agriculture businesses. The three business segments recorded a decrease of 32.3% or RM6.2 million, 30.4% or RM3.2 million and 5.7% or RM0.3 million in the current quarter respectively.

Profit before tax and zakat

Excluding the construction profit, the PBT for the current quarter under review was 30.6% or RM50.7 million lower as compared to the immediate preceding quarter, mainly due to the higher total expenses (excluding construction cost) of 18.4% or RM80.0 million. These were mainly due to the increase in user fee, repair and maintenance, staff costs, bad debt written-off, depreciation, amortisation and utilities. However, the revenue (excluding construction revenue) was higher by 3.3% or RM18.8 million.

The construction profit for the current quarter under review decreased by 15.0% or RM2.9 million as compared to the immediate preceding quarter.

19. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR DISPOSAL

On 16 January 2013, Airport Automotive Workshop Sdn Bhd ("AAW") commenced Members' Voluntary Winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965.

As at 30 June 2013, the assets and liabilities of AAW have been presented on the consolidated statements of financial position as assets and liabilities held for disposal and the results from AAW is presented separately on the statement of comprehensive income as discontinued operation.

The analysis of the result of the discontinued operation is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to date	Preceding Year Corresponding Period
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
	RM'000	RM'000	RM'000	RM'000
Revenue	-	-	-	-
Other income	-	1	-	4
Depreciation and amortisation				
Other expenses	-	17	-	12
Depreciation and amortisation		(1)	-	(1)
Profit before tax of discontinued operations	-	17	-	15
Income tax expenses	-	-	-	-
Profit for the period from discontinued operations	-	17	-	15

19. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR DISPOSAL

(Contd.)

The classes of assets and liabilities of AAW classified as held for disposal on the consolidated statement of financial position as follows:-

	30.06.2013 RM'000 Unaudited	31.12.2012 RM'000 Audited
Assets		
Cash & bank balances	63	63
Assets of disposal group classified as held for disposal	63	63

Asia Pacific Auction Centre Sdn. Bhd. and its subsidiaries had been fully dissolved with effect from 4 February 2013.

20. COMMENTARY ON PROSPECTS

The airports operated by the Group recorded double-digit passenger growth of 13.6% in the first half 2013 ("1H13"), with a total of 37.0 million passengers having passed through MAHB's 39 airports in Malaysia. Both international and domestic passenger movements registered positive growth at 14.4% and 12.8% respectively. The total passenger movements at KLIA-MTB improved by 19.7% while KLIA-LCCT recorded a positive growth of 11.1%. Total aircraft movements grew by 10.4% while Cargo experienced a 3.4% growth in 2H13.

MAHB continues to benefit from the entry of new airlines and expansion of local carriers in 1H13. Malaysia Airlines and AirAsia Group contributed strongly to passenger growth while Malindo Air has registered a competitive load factor. Malaysia Airlines' entry into the Oneworld Alliance in February 2013 has significantly increased the market outreach across continents and will continue to provide critical support for passenger growth. Furthermore, the additional seat capacity offered by various airlines and the Visit Malaysia Year 2014 campaign launched early this year will further support the growth trend.

Notwithstanding the recent downward revision in 2013 global GDP forecast by International Monetary Fund, we remain optimistic with our 2013 forecast. This is evidenced by our stable past performance, where we have been able to sustain a growth of 5%-7% even during relatively poor economic conditions. MAHB through its marketing efforts have been aggressively pursuing airlines globally through its various marketing initiatives. The recent entry of foreign carriers like Air France, Philippine Airlines, Turkish Airlines, Zest Airways and Thai Smile bode well for MAHB's passenger growth in 2H13, hence MAHB is optimistic to achieve its Headline KPI target for 2013.

21. 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.

22. TAXATION AND ZAKAT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	*Restated Preceding Year Corresponding Period
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
	RM'000	RM'000	RM'000	RM'000
Current tax	15,119	53,973	61,807	97,615
Deferred taxation	15,103	(21,592)	27,959	(14,777)
Zakat	-	8,361	-	8,840
	30,222	40,742	89,766	91,678

23. SALE OF PROPERTIES

There were no sales of properties since 31 December 2012.

24. INVESTMENTS IN QUOTED SECURITIES

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

25. STATUS OF CORPORATE PROPOSALS

Save for the following, there are no other ongoing corporate proposals announced by the Group but not completed as at 22 July 2013 being a date not earlier than 7 days from the date of issuance of the quarterly report:

Dividend Reinvestment Plan

The Dividend Reinvestment Plan ("DRP") was approved by the Shareholders at the Extraordinary General Meeting held 30 November 2012. The DRP provides Shareholders an option to elect to reinvest their cash dividend(s) declared by the Company (whether interim, final, special or any other cash dividend) (“Dividend(s)”) in new ordinary shares of RM1.00 each in MAHB (“MAHB Shares”).

The DRP provides Shareholders with an opportunity to reinvest their Dividends in new MAHB Shares (“New Shares”) in lieu of receiving cash. Shareholders are expected to benefit from their participation in the DRP as the New Shares may be issued at a discount and their subscription of such New Shares will be free from any brokerage fees and other related transaction costs. In addition, the DRP also provides the Shareholders with greater flexibility to meet their investment objectives as they would have the choice of receiving Dividends in cash or reinvesting into the Company through the subscription of additional Shares.

The DRP has capital management benefits to MAHB as the reinvestment of Dividends by Shareholders in New Shares will enlarge MAHB’s share capital base and strengthen MAHB’s capital position. Under the DRP, any cash so retained within MAHB, that would otherwise be made payable by way of dividend, will be preserved to fund the Group’s continuing growth and expansion plan, and /or for the Group’s working capital (including payment for general corporate activities and to defray expenses incurred in the course of day-to-day business operations). The issue of New Shares under the DRP is also expected to improve the liquidity of MAHB Shares currently listed on the Main Market of Bursa Securities.

25. STATUS OF CORPORATE PROPOSALS (Cont'd)

In relation to Dividends declared, the Board may, at its absolute discretion, determine whether to offer Shareholders an option to reinvest such Dividend in New Shares ("Reinvestment Option") and where applicable, the size of the portion of such Dividend to which the Reinvestment Option applies ("Electable Portion").

Shareholders will have the following options in respect of a Reinvestment Option:

(a) elect to participate and thereby reinvest the entire Electable Portion (or a part thereof) at the Issue Price (as defined below) for New Shares and to receive wholly in cash:

(i) the portion of the Dividend to which the Reinvestment Option does not apply, as determined by the Board ("Non-Electable Portion"); and

(ii) the remaining portion of the Electable Portion not reinvested (if any) ("Remaining Portion"); or

(b) elect not to participate in the Reinvestment Option and thereby receive the entire Dividend wholly in cash.

The issue price of such New Shares shall be the higher of the following ("Issue Price"):

(a) the adjusted volume-weighted average market price ("VWAP") of MAHB Shares for the five market days immediately before the price fixing date (i.e. a date on which the Issue Price will be determined) after applying a discount of not more than 10%. The VWAP shall be adjusted for Dividends before applying the aforementioned discount in fixing the Issue Price; or

(b) the par value of MAHB Shares at the material time.

25. STATUS OF CORPORATE PROPOSALS (Cont'd)

On 20 February 2013, the Board of Directors had determined that the DRP shall apply to the entire Final Dividend.

On 28 March 2013, the shareholders had approved a single-tier final dividend of 7.63 sen per ordinary share in respect of the financial year ended 31 December 2012 and authorised MAHB to allot and issue new ordinary shares of RM1.00 each in MAHB pursuant to the DRP.

On 29 March 2013, the Board of Directors has approved that the issue price for the new shares is 5.14 per share to be issued pursuant to the implementation of the DRP in respect of the Final Dividend.

The DRP had received all the necessary approvals from Bursa securities and from its shareholders on 29 March 2013. On 13 May 2013, an amount of RM78,928,982 was re-invested in the DRP and as disclosed in Note 9, the paid up share capital of the Company was increased to RM1,232,443,879 by the issuance of 15,355,833 shares of RM1 each under the DRP.

26. BORROWINGS AND DEBT/EQUITY SECURITIES

	As at 30.06.2013 RM'000 unaudited	As at 31.12.2012 RM'000 audited
Long term borrowings		
Unsecured:		
Islamic Medium Term Notes ("IMTN")	3,100,000	3,100,000

27. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 22 July 2013.

28. CHANGES IN MATERIAL LITIGATION

Save for the updates and in Note 13, there were no other changes to material suits against the Group and its subsidiaries since 31 December 2012.

29. DIVIDEND PAYABLE

Final dividend in respect of financial year ended 31 December 2012 has been declared and paid as per note 10. There were no other dividends paid or declared during the current quarter and financial period-to-date under review.

30. 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 30.06.2013 RM'000	Restated Preceding Year Corresponding Quarter 30.06.2012 RM'000	Current Year To Date 30.06.2013 RM'000	Restated Preceding Year Corresponding Period 30.06.2012 RM'000
Profit from continuing operations attributable to owners of the parent	101,752	100,677	227,812	203,409
Profit from discontinued operation attributable to equity holders of the Company	-	17	-	15
Profit attributable to equity holders of the Company	101,752	100,694	227,812	203,424
Weighted average number of ordinary shares in issue ('000)	1,220,338	1,162,253	1,220,338	1,162,253
Basic earning per share for (sen):				
Profit from continuing operations	8.34	8.66	18.67	17.50
Profit from discontinued operation	-	-	-	-
Basic earnings per share (sen)	8.34	8.66	18.67	17.50

Weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighing factor. The time weighing factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

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

	As at 30.06.2013 RM'000	As at 31.12.2012 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	3,608,397	3,440,220
- Unrealised	40,074	33,293
	3,648,471	3,473,513
Total share of retained earnings/(accumulated losses) from associate companies:		
- Realised	(207,192)	(211,319)
- Unrealised	50,640	54,892
	(156,552)	(156,427)
Total share of retained earnings from jointly controlled entities:		
- Realised	3,015	265
- Unrealised	387	160
	3,402	425
Less: Consolidation Adjustments	(1,533,615)	(1,490,753)
Total retained earnings as per financial statements	1,961,706	1,826,758

32. 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
23 July 2013