

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year	Preceding Year	Current Year	Preceding Year
		Quarter	Corresponding	To Date	Corresponding
		30.09.2019	30.09.2018	30.09.2019	30.09.2018
		RM'000	RM'000	RM'000	RM'000
Revenue		1,355,160	1,229,545	3,868,678	3,600,031
Cost of inventories sold		(107,756)	(99,783)	(325,356)	(311,555)
Other income		63,270	75,087	197,783	473,604
Employee benefits expenses		(215,036)	(207,469)	(623,237)	(572,016)
Construction costs		-	-	-	(68,146)
Depreciation and amortisation		(230,663)	(225,063)	(700,136)	(654,104)
Other expenses		(448,350)	(407,571)	(1,300,923)	(1,157,129)
Operating profits		416,625	364,746	1,116,809	1,310,685
Finance costs		(175,342)	(213,700)	(524,395)	(574,563)
Share of results:					
- associates		1,378	(243)	6,730	5,491
- joint ventures		4,118	3,989	13,861	11,506
Profit before tax and zakat	7	246,779	154,792	613,005	753,119
Taxation and zakat	21	(48,909)	13,700	(105,476)	(53,912)
Profit net of tax		197,870	168,492	507,529	699,207
Attributable to:					
Owners of the Company		197,870	168,492	507,529	699,207
Profit per share attributable to					
Owners of the Company (sen):	30	11.05	9.28	28.00	39.55

The condensed unaudited consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2019 RM'000	Preceding Year Corresponding Quarter 30.09.2018 RM'000	Current Year To Date 30.09.2019 RM'000	Preceding Year Corresponding Period 30.09.2018 RM'000
Profit for the period, net of tax	197,870	168,492	507,529	699,207
Other comprehensive income:				
- Foreign currency translation	(48,525)	53,444	(58,802)	(155)
- Unrealised (loss)/gain on derivative financial instruments	(212)	12,408	(5,245)	6,484
- Actuarial gain on retirement benefits	155	-	155	-
Other comprehensive (loss)/income for the period, net of tax	(48,582)	65,852	(63,892)	6,329
Total comprehensive income for the period	149,288	234,344	443,637	705,536
Attributable to:				
Owners of the Company	149,288	234,344	443,637	705,536

The condensed unaudited consolidated of other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	30.09.2019	31.12.2018
	RM'000	RM'000
	Unaudited	Audited
Assets		
Non-current assets		
Property, plant and equipment	409,770	418,849
Land use rights	6,845	6,926
Right-of-use assets	128,740	-
Intangible assets	16,034,706	16,764,994
Investment in associates	120,514	113,783
Investment in joint ventures	103,202	96,818
Financial assets at fair value through profit or loss	343,446	353,573
Trade receivables	25	71
Other receivables	113,141	37,515
Employee loans	24,907	26,785
Deferred tax assets	166,484	190,913
	<u>17,451,780</u>	<u>18,010,227</u>
Current assets		
Inventories	171,958	127,896
Biological assets	2,673	1,641
Trade receivables	768,852	595,977
Other receivables	602,166	687,554
Tax recoverable	50,115	95,622
Financial assets at fair value through profit or loss	1,423,157	1,303,715
Cash and cash equivalents	1,419,814	1,450,471
	<u>4,438,735</u>	<u>4,262,876</u>
Total assets	<u>21,890,515</u>	<u>22,273,103</u>

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	30.09.2019	31.12.2018
	RM'000	RM'000
	Unaudited	Audited
Equity and liabilities		
Equity attributable to Owners of the Company		
Share capital	5,114,341	5,114,341
Perpetual sukuk	997,842	997,842
Retained earnings	3,269,651	3,037,416
Hedging reserve	(30,147)	(24,902)
Other reserve	4,010	3,985
Foreign exchange reserve	(46,758)	12,044
Total equity	<u>9,308,939</u>	<u>9,140,726</u>
Non-current liabilities		
Borrowings	3,801,977	4,930,929
Derivative financial instruments	54,529	49,600
Lease liabilities	93,582	-
Deferred tax liabilities	912,803	919,643
Trade payables	4,115,231	4,454,198
Other payables	614,478	645,361
	<u>9,592,600</u>	<u>10,999,731</u>
Current liabilities		
Borrowings	1,228,073	212,357
Derivative financial instruments	16,163	7,497
Lease liabilities	36,910	-
Trade payables	747,747	856,851
Other payables	924,174	1,040,099
Income tax payable	35,909	15,842
	<u>2,988,976</u>	<u>2,132,646</u>
Total liabilities	<u>12,581,576</u>	<u>13,132,377</u>
Total equity and liabilities	<u>21,890,515</u>	<u>22,273,103</u>

The condensed unaudited consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	Attributable to equity holders of the Company						Total equity RM'000
	Non-distributable				Distributable		
	Share capital RM'000	Perpetual sukuk RM'000	Foreign exchange reserve RM'000	Hedging reserve RM'000	Other reserve RM'000	Retained earnings RM'000	
At 1 January 2018	5,114,341	997,842	41,955	(28,591)	6,891	2,583,308	8,715,746
Total comprehensive income for the period	-	-	(155)	6,484	-	699,207	705,536
Legal reserve	-	-	-	-	(33)	-	(33)
Distribution to perpetual sukuk holder	-	-	-	-	-	(43,007)	(43,007)
Transaction with owners							
Dividends	-	-	-	-	-	(215,695)	(215,695)
Total transaction with owners	-	-	-	-	-	(215,695)	(215,695)
At 30 September 2018	5,114,341	997,842	41,800	(22,107)	6,858	3,023,813	9,162,547
At 1 January 2019	5,114,341	997,842	12,044	(24,902)	3,985	3,037,416	9,140,726
Total comprehensive income for the period	-	-	(58,802)	(5,245)	155	507,529	443,637
Legal reserve	-	-	-	-	(130)	-	(130)
Distribution to perpetual sukuk holder	-	-	-	-	-	(43,007)	(43,007)
Transaction with owners							
Dividends	-	-	-	-	-	(232,287)	(232,287)
Total transaction with owners	-	-	-	-	-	(232,287)	(232,287)
At 30 September 2019	5,114,341	997,842	(46,758)	(30,147)	4,010	3,269,651	9,308,939

The condensed unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	30.09.2019 RM'000 Unaudited	30.09.2018 RM'000 Unaudited
Cash flows from operating activities		
Profit before tax and zakat	613,005	753,119
Adjustments for:		
Interest income	(24,362)	(33,443)
Gain on financial instruments at fair value through profit or loss (FVTPL)	(8,389)	(1,554)
Interest expense	518,433	565,507
Loss from derivative financial instruments	5,962	9,056
Provision for liabilities	4,683	3,511
Writeback of provision of liabilities	(2,655)	(3,056)
Gain on fair value of biological assets	(1,032)	(322)
Amortisation of:		
- intangible assets	626,587	604,289
- land use rights	81	81
- right-of-use assets	26,669	-
Depreciation of property, plant and equipment	46,799	49,734
Net writeback of provision for doubtful debts	(20,130)	(26,475)
Net bad debts written off	68	9,289
Gain on disposal of investment in:		
- quoted unit trust	(1,004)	-
- unquoted equity shares	-	(28,178)
Gain on disposal of property, plant and equipment	-	(8)
Unrealised gain on fair value on financial assets at FVTPL	-	(258,399)
Property, plant and equipment written off	-	237
Intangible assets written off	12	-
Inventories written off	2,057	3,041
Investment income	(49,219)	(49,029)
Share of results of:		
- associates	(6,730)	(5,603)
- joint ventures	(13,861)	(11,394)
Operating profit before working capital changes	1,716,974	1,580,403
(Increase)/decrease in inventories	(45,947)	1,561
Increase in receivables	(141,659)	(78,072)
Decrease in payables	(259,683)	(126,648)
Decrease in concession liabilities	(11,308)	(23,660)
Decrease in provision for liabilities	(4,555)	(4,196)
Cash generated from operations	1,253,822	1,349,388
Taxes and zakat paid	(72,889)	(85,365)
Net cash generated from operating activities	1,180,933	1,264,023

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	30.09.2019	30.09.2018
	RM'000	RM'000
	Unaudited	Unaudited
Cash flows from investing activities		
Purchase of:		
- property, plant and equipment	(38,548)	(11,592)
- intangibles assets	(164,425)	(318,276)
- quoted unit trust	(972,743)	(803,683)
Proceed from disposal of quoted unit trust	902,120	983,555
Additional contribution in an associate	-	(62,000)
Investment income received	49,219	49,029
Interest received	2,534	2,248
Dividend received from joint ventures	7,477	3,182
Net cash used in investing activities	(214,366)	(157,537)
Cash flows from financing activities		
Repayment of loan	(70,800)	(297,000)
Swap payment	(4,411)	(6,558)
Concession payment	(539,430)	(459,089)
Lease liabilities payment	(24,798)	-
Interest paid	(170,991)	(176,497)
Dividends paid to shareholders of the Company	(149,327)	(215,695)
Distribution paid to Perpetual Sukuk Holder	(28,671)	(29,144)
Net cash used in financing activities	(988,428)	(1,183,983)
Net decrease in cash and cash equivalents	(21,861)	(77,497)
Effects of foreign currency translation	(8,796)	41,821
Cash and cash equivalents at beginning of period	1,450,471	1,293,391
Cash and cash equivalents at end of period	1,419,814	1,257,715

The condensed unaudited consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

1. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements, for the period ended 30 September 2019, have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS) 134 Interim Financial Reporting, International Accounting Standards (IAS) 34 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia).

These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018. The explanatory notes attached to these unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparing these unaudited condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2018 except as discussed below:

MFRS 16: Leases

MFRS 16 has replaced MFRS 117 Leases, IC Interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Lease-Incentives and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions), less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at present value of the lease payment that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications.

Classification of cash flows will also be affected as operating lease payments under MFRS 117 are presented as operating cash flows, whereas under MFRS 16, the lease payments will split into a principal (which will be presented as financing cash flows) and an interest portion (which will be presented as operating cash flows).

Lessor accounting under MFRS 16 is substantially the same as the accounting under MFRS 117. Lessors will continue to classify all leases using the same classification principle as in MFRS 117 and distinguish between two types of leases: operating and finance leases.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd.)MFRS 16: Leases (cont'd.)

MFRS 16 is effective for annual periods beginning on or after 1 January 2019. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard will affect primarily the accounting of the Group's operating lease.

The Group has adopted MFRS 16 effective from 1 January 2019, using modified retrospective approach. Applying this method, the comparative information for the 2018 fiscal year has not been restated. Under modified retrospective approach, the lease liability is measured based on the remaining lease payments discounted using the incremental borrowing rate as at the date of initial application. For leases with terms not exceeding twelve months and for leases of low-value assets, the Group has exercised the optional application exemptions. The lease payments under these contracts are generally recognised on a straight-line basis over the lease term as other operating expenses.

In all other leases in which the Group acts as the lessee, the present value of future lease payments is recognised as a financial liability. Lease payments are split into principal and interest portions, using the effective interest method. Correspondingly, the right-of-use asset is recognised at the present value of the liability at the commencement date of the lease, adding any directly attributable costs. The weighted-average incremental borrowing rate for the lease liabilities initially recognised as of 1 January 2019, was 5.0% per annum. Payments made before the commencement date and incentive received from the lessor are also included in the carrying amount of the right-of-use asset. The right-of-use asset is depreciated on a straight-line basis over the lease term or, if it is shorter, over the useful life of the leased asset.

The Group applied MFRS 16 for contracts that were previously identified as leases applying MFRS 117 and IC4, therefore will not apply the Standard to contracts that were not previously identified as containing a lease applying MFRS 117 and IC4.

2.1 Standard issued but not yet effective

The standard and interpretation that are issued but not yet effective up to date of issuance of the Group's Financial Statements are disclosed below:

Effective for financial periods beginning on or after 1 January 2020

MFRS 3: Business Combinations

MFRS 101: Presentation of Financial Statements

MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors

MFRS 7, MFRS 9 and MFRS 139: Interest Rate Benchmark Reform

Revised Conceptual Framework for Financial Reporting

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

2.1 Standard issued but not yet effective (cont'd.)

The standard and interpretation that are issued but not yet effective up to date of issuance of the Group's Financial Statements are disclosed below: (cont'd.)

Effective for financial periods beginning on or after 1 January 2021

MFRS 17 : Insurance Contracts

Effective for annual periods to be announced by MASB

Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The directors expect that the adoption of the above standards will have no material impact on the financial statements in the period of initial application.

3. AUDITORS' REPORT ON PRECEDING FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2018 was not qualified.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

Airport services, duty free and non-dutiable goods segments, 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.

6. SEGMENT INFORMATION

The Group is organised into business and geographical segments which is then further classified under airport and non-airport operations activities:-

Malaysia Operations

Airport operations:

- a) **Airport services**
To manage, operate and maintain the Kuala Lumpur International Airport and the designated airports in Malaysia and to provide airport related services.
- b) **Duty free and non-dutiable goods**
To operate duty free, non-duty free outlets and provide management services in respect of food and beverage outlets at designated airports in Malaysia.

Non-airport operations:

- a) **Project and repair maintenance**
To provide consultancy, operations and maintenance of information and communication technology business ventures and provision of mechanical and electrical engineering.
- b) **Hotel**
To manage and operate a hotel, known as Sama-Sama Hotel, Sama-Sama Express KLIA and Sama-Sama Express klia2.
- c) **Agriculture and horticulture**
To cultivate and sell oil palm and other agricultural products and to carry out horticulture activities.
- d) **Others**
Investment holdings and dormant companies.

Overseas Operations

- a) **Airport operations**
To manage, operate and maintain the Istanbul Sabiha Gokcen International Airport (ISGIA) in Turkey and to provide airport related services.
- b) **Project and repair maintenance**
To provide facilities management services at Hamad International Airport (HIA).

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

6. SEGMENT INFORMATION (cont'd.)

	Continuing Operations									
	Malaysia Operations					Overseas Operations			Consolidation adjustments	TOTAL
	Airport Operations		Non-Airport Operations			Airport operations	Project and repair maintenance	RM'000		
Airport services	Duty free and non-dutiable goods	Project and repair maintenance	Hotel	Agriculture & horticulture	Others				RM'000	RM'000
For the period ended 30 September 2019										
Segment Revenue										
External:										
Aeronautical	1,454,855	-	-	-	-	-	569,530	-	-	2,024,385
Non-aeronautical:										
Retail	-	632,487	-	-	-	-	-	-	-	632,487
Others	588,202	1,925	-	-	-	-	395,919	-	-	986,046
Non-airport operations	-	-	12,940	65,416	20,429	-	7,210	119,765	-	225,760
Inter-segment sales	217,443	1,107	79,617	2,617	5,228	-	67,693	-	(373,705)	-
Total revenue	2,260,500	635,519	92,557	68,033	25,657	-	1,040,352	119,765	(373,705)	3,868,678
Segment Results										
Operating profits before depreciation and amortisation	974,701	33,055	24,832	22,632	3,238	161,820	739,396	16,637	(159,366)	1,816,945
Depreciation and amortisation	(267,411)	(6,519)	(669)	(13,155)	(3,775)	(12,857)	(241,829)	(9,785)	(144,136)	(700,136)
Finance costs	(176,472)	(37)	8	(1,317)	(19)	(105,186)	(367,612)	-	126,240	(524,395)
Share of results of:										
- associates	6,730	-	-	-	-	-	-	-	-	6,730
- joint ventures	-	-	-	-	-	13,861	-	-	-	13,861
Profit/(loss) before tax and zakat	537,548	26,499	24,171	8,160	(556)	57,638	129,955	6,852	(177,262)	613,005
Taxation and zakat	(107,698)	(8,883)	(5,831)	(966)	(946)	(41)	(12,448)	(617)	31,954	(105,476)
Profit/(loss) for the period	429,850	17,616	18,340	7,194	(1,502)	57,597	117,507	6,235	(145,308)	507,529
As at 30 September 2019										
Assets and Liabilities										
Segment assets	10,911,425	267,620	173,880	171,539	96,722	11,961,399	6,139,968	108,028	(8,163,782)	21,666,799
Investment in associates	120,514	-	-	-	-	-	-	-	-	120,514
Investment in joint ventures	-	-	-	-	-	103,202	-	-	-	103,202
Total assets	11,031,939	267,620	173,880	171,539	96,722	12,064,601	6,139,968	108,028	(8,163,782)	21,890,515
Segment liabilities representing total liabilities	6,030,625	125,637	51,282	59,995	19,312	5,553,310	7,105,244	80,709	(6,444,538)	12,581,576

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

6. SEGMENT INFORMATION (cont'd.)

	Continuing Operations									
	Malaysia Operations					Overseas Operations			Consolidation adjustments	TOTAL
	Airport Operations		Non-Airport Operations			Airport operations	Project & repair and maintenance	RM'000		
Airport services	Duty free and non-dutiable goods	Project & repair and maintenance	Hotel	Agriculture & horticulture	Others				RM'000	RM'000
For the period ended 30 September 2018										
Segment Revenue										
External:										
Aeronautical	1,301,836	-	-	-	-	-	457,219	-	-	1,759,055
Non-aeronautical:										
Retail	-	615,144	-	-	-	-	-	-	-	615,144
Others	592,372	1,291	-	-	-	-	349,861	-	-	943,524
Construction	-	-	-	-	-	-	68,146	-	-	68,146
Non-airport operations	-	-	10,103	66,843	24,649	-	6,585	105,982	-	214,162
Inter-segment sales	214,325	701	52,057	1,579	4,849	-	53,225	-	(326,736)	-
Inter-segment dividends	-	-	-	-	-	135,000	-	-	(135,000)	-
Total revenue	2,108,533	617,136	62,160	68,422	29,498	135,000	935,036	105,982	(461,736)	3,600,031
Segment Results										
Operating profits before depreciation and amortisation	916,813	40,638	16,845	18,279	9,687	581,474	646,767	17,350	(283,064)	1,964,789
Depreciation and amortisation	(237,630)	(7,023)	(362)	(8,925)	(3,346)	(10,028)	(233,168)	(3,666)	(149,956)	(654,104)
Finance costs	(172,692)	-	48	10	(6)	(111,976)	(420,724)	-	130,777	(574,563)
Share of results of associates:										
- associates	5,491	-	-	-	-	-	-	-	-	5,491
- joint ventures	-	-	-	-	-	11,506	-	-	-	11,506
Profit/(loss) before tax and zakat	511,982	33,615	16,531	9,364	6,335	470,976	(7,125)	13,684	(302,243)	753,119
Taxation and Zakat	(64,095)	(8,745)	(3,918)	(1,839)	(1,493)	(5,841)	351	(1,232)	32,900	(53,912)
Profit/(loss) for the period	447,887	24,870	12,613	7,525	4,842	465,135	(6,774)	12,452	(269,343)	699,207
As at 30 September 2018										
Assets and Liabilities										
Segment assets	10,831,847	195,995	147,728	120,185	98,995	12,235,465	7,193,669	107,976	(9,048,450)	21,883,410
Investment in associates	50,567	-	-	-	-	-	-	-	-	50,567
Investment in joint ventures	-	-	-	-	-	162,242	-	-	-	162,242
Total assets	10,882,414	195,995	147,728	120,185	98,995	12,397,707	7,193,669	107,976	(9,048,450)	22,096,219
Segment liabilities representing total liabilities	6,381,196	101,742	44,356	19,951	18,025	5,843,137	8,323,851	88,367	(7,886,953)	12,933,672

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
7. PROFIT BEFORE TAX AND ZAKAT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2019 RM'000	Preceding Year Corresponding Quarter 30.09.2018 RM'000	Current Year To Date 30.09.2019 RM'000	Preceding Year Corresponding Period 30.09.2018 RM'000
Included in other income:				
Interest income				
-Unquoted investments	476	452	1,578	1,278
-Employee loans	349	316	956	970
-Other loans and receivables	5,969	12,410	21,828	31,195
Gain on financial instruments at FVTPL	4,194	1,360	8,389	1,554
Investment income	12,812	19,534	49,219	49,029
Net realised foreign exchange gain	512	432	1,549	1,315
Unrealised gain on fair value on financial assets at FVTPL	-	-	-	258,399
Gain on disposal of:				
-property, plant and equipment	-	8	-	8
-quoted unit trust	1,004	-	1,004	-
-unquoted equity shares	-	-	-	28,178
Recoupment of expenses	28,369	34,209	80,080	80,713
Included in other expenses:				
Net writeback of provision for doubtful debts	(19,616)	(15,857)	(20,130)	(26,475)
Bad debts written off	-	5,385	68	9,289
Property, plant and equipment written off	-	5	-	237
Intangible assets written off	8	-	12	-
Inventories written off	396	1,082	2,057	3,041
User fee	115,567	102,791	336,877	307,496
Included in finance cost:				
Interest expenses:				
-Concession payables and borrowings	54,828	58,716	164,267	176,497
-Financial liabilities	115,823	154,984	353,404	398,066
-Interest on lease liabilities	4,691	-	6,724	-

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 24 June 2019, the Group had paid EUR15.0 million, equivalent to RM70.8 million of the Senior Term Facility which matured on 25 June 2019.

Save for the above, there were no issuance and/or other 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 final dividend of 9.00 sen per ordinary share amounting to RM149.3 million in respect of the financial year ended 31 December 2018 was approved by the Shareholders at its Annual General Meeting held on 2 May 2019. The final dividend was paid on 31 May 2019.

A single-tier interim dividend of 5.00 sen per ordinary share in respect of the financial year ending 31 December 2019 amounting to RM82.9 million was paid on 1 October 2019.

Save for the above, 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

The Group does not have any revalued assets as its 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

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

13. CHANGES IN GUARANTEES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**a) Guarantees**

- i) ISG has given 21 letters of guarantee to Tax Authority in Turkey for Value Added Tax (VAT) refund amounting to EUR2.0 million, equivalent to RM9.2 million (2018: EUR1.1 million, equivalent to RM5.2 million).

Save for the above, there were no changes in guarantees from the previous quarter announcement.

**13. CHANGES IN GUARANTEES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS
(cont'd.)****b) Contingent Liabilities**

- i) Syarikat Pembinaan Anggerik Sdn. Bhd. (SPASB) via a Writ of Summons claims from MAHB for the sum of RM44.0 million for damages and other claims and interest in respect of the alleged losses and damages pertaining to the works carried out by SPASB for the 'Proposed Development and Upgrading Works at Penang International Airport, Bayan Lepas, Pulau Pinang' and the 'Proposed Construction and Completion of Site Office, Central Utilities Building and Airside Drainage Works at Penang International Airport'.

MAHB had filed an application for stay of proceedings in light of the arbitration provisions in the contract and on 23 August 2017, the court had allowed MAHB's 'Stay Application' with cost of RM10,000 to be paid by SPASB to MAHB.

On 21 September 2017, SPASB filed its Notice of Appeal in respect of the court's decision on the 'Stay Application'. The Court of Appeal however had allowed SPASB's appeal with costs on 30 March 2018.

In furtherance to the Court of Appeal's decision, MAHB had filed the 'Application for Leave to Appeal' (Application) at the Federal Court on 27 April 2018. Such Application nonetheless was dismissed by the Federal Court on 1 August 2018 and therefore SPASB's claim against MAHB shall be heard in the High Court instead of arbitration.

On 9 August 2018, SPASB had filed its Amended Statement of Claim (Amended SOC). In the Amended SOC, SPASB had raised its claim to RM59.9 million. MAHB had later filed its Statement of Defence on 21 September 2018. SPASB filed its reply to MAHB's Statement of Defence on 10 October 2018.

During the Case Management on 8 July 2019, the Court maintained the previously arranged trial dates on 11 to 15 November 2019. The Court further directed both parties to exchange witness statements.

On 12 July 2019, SPASB had increased its amount of claim from RM59.9 million to RM66.8 million. The amount claimed is not expected to have any material impact on the financial statements of the Group since it is subject to strict proof at the full trial of this case in November 2019.

Pursuant to the Re-Amended Statement of Claim filed by SPASB recently, MAHB has filed its Amended Statement of Defence and Counterclaim on 31 July 2019. Both parties have agreed to exchange witness statements by 31 October 2019. The next Case Management has been fixed on 6 January 2020.

**13. CHANGES IN GUARANTEES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS
(cont'd.)**b) Contingent Liabilities (cont'd.)

- ii) As at to date, the request for Value Added Tax (VAT) refund by ISG is still on-going and pending for final decision by the Supreme Court of Turkey.

Save for the above, there were no changes in contingent liabilities from previous quarter announcement. The Group has no contingent assets.

14. RELATED PARTY TRANSACTIONS AND BALANCES

Related Party Transactions:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Preceding Year		Preceding Year	
	Current Year	Corresponding	Current Year	Corresponding
	Quarter	Quarter	To Date	Period
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	RM'000	RM'000	RM'000	RM'000
Revenue:				
<u>Associates:</u>				
Lease rental				
- KL Aviation Fuelling System Sdn. Bhd.	1,575	1,530	4,643	4,590
- MFMA Development Sdn. Bhd.	1,038	1,500	3,112	3,022
Concession fee				
- MFMA Development Sdn. Bhd.	142	142	426	426
Recoupment of water, electricity & sewerage				
- MFMA Development Sdn. Bhd.	2,680	975	7,140	4,256
<u>Joint ventures:</u>				
Lease rental				
- Segi Astana Sdn. Bhd.	319	319	955	955
- Airport Cooling Energy Supply Sdn. Bhd.	222	222	666	666
- Cainiao KLIA Aeropolis Sdn. Bhd.	585	585	1,737	954
Expenses:				
<u>Joint ventures:</u>				
Airport Cooling Energy Supply Sdn. Bhd.				
- Utilities (Fixed)	8,031	8,031	24,093	24,093
- Utilities (Variable usage)	3,601	3,689	10,542	10,867
- Less: Rebate	(1,006)	(1,165)	(2,391)	(3,486)
- Interest on concession payable	5,340	5,340	16,020	16,020
Other Transactions:				
<u>Joint ventures:</u>				
Airport Cooling Energy Supply Sdn. Bhd.				
- Payment on concession payable	2,675	2,675	8,025	8,025
<u>Other Related Party:</u>				
Korn Ferry International (M) Sdn. Bhd.				
- Professional fees	-	-	-	268

Related Party Balances:

	As at	As at
	30.09.2019	31.12.2018
	RM'000	RM'000
	Unaudited	Audited
Amount owing by associated companies	1,165	30
Amount owing to joint ventures	6,552	-

15. COMMITMENTS

The amount of commitments for the lease rental, purchase of intangible asset, property, plant and equipment and other investment not provided for, in the interim condensed consolidated financial statements as at 30 September 2019 were as follows:

	Not later than 1 year RM'000	Later than 1 year but not later than 5 years RM'000	Total RM'000
(i) Approved and contracted for:			
Capital expenditure	389,973	-	389,973
(ii) Approved but not contracted for:			
Capital expenditure	893,816	-	893,816
(iii) Other investments:			
Investment in MFMA Development Sdn. Bhd.	45,000	-	45,000
	<u>1,328,789</u>	<u>-</u>	<u>1,328,789</u>

16. SUBSEQUENT EVENTS

- a) On 7 October 2019, MAHB had announced that Malaysia Airports (Sepang) Sdn. Bhd. (MA Sepang), a wholly-owned subsidiary of MAHB, on 4 October 2019 was served by the Solicitors of AirAsia Berhad and AirAsia X Berhad (collectively, AirAsia) with a Writ of Summons (without a Statement of Claim) in respect of their alleged losses and damages in the sum of RM479.8 million. Subsequently, AirAsia had served its Statement of Claim on 25 October 2019. On 12 November 2019, the Striking Out Notice of Application and Affidavit in Support was filed and served to AirAsia's solicitors. The Deputy Registrar had directed MA Sepang to file its defence by 29 November 2019. The next Case Management will be held on 27 December 2019.

Save for the above, there were no material events subsequent to the end of the current period under review that requires disclosure or adjustments to the interim financial statements.

17. PERFORMANCE REVIEW

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Year Quarter	Preceding Year	Changes		Current Year To Date	Preceding Year	Changes	
		Corresponding Quarter				Corresponding Period		
	30.09.2019	30.09.2018	RM'000	%	30.09.2019	30.09.2018	RM'000	%
RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%	
Revenue	1,355,160	1,229,545	125,615	10.2%	3,868,678	3,600,031	268,647	7.5%
Profit before tax and zakat	246,779	154,792	91,987	59.4%	613,005	753,119	(140,114)	-18.6%

3Q 2019 vs 3Q 2018 (Q-on-Q)

Revenue

The Group's revenue for the current quarter grew 10.2% over the corresponding quarter last year to RM1,355.2 million on the back of overall passenger growth of 6.7%.

Airport operations recorded a revenue growth of 10.7% to RM1,278.7 million. Revenue from the aeronautical segment increased by 12.9% to RM714.0 million over the corresponding quarter last year. Passenger traffic for the Malaysia operations grew by 8.9% (international: +3.8%, domestic: +14.4%) to 27.0 million passengers as compared to 24.8 million passengers recorded in the corresponding quarter last year. The passenger traffic for Turkey operations increased by 1.0% (international: +17.6%, domestic: -7.9%) to 9.8 million passengers as compared to 9.7 million passengers recorded in the corresponding quarter last year. Non-aeronautical segment increased by 8.0% to RM564.7 million as compared to the corresponding quarter last year.

Revenue from the non-airport operations increased by 3.1% or RM2.3 million due to higher revenue from the project and repair maintenance business.

Overall, Malaysia operations recorded revenue of RM940.3 million with a growth of 6.4%, whilst Turkey and Qatar operations recorded revenue growth of 21.2% to RM374.8 million and 9.0% to RM40.1 million respectively.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD****17. PERFORMANCE REVIEW (cont'd.)****3Q 2019 vs 3Q 2018 (Q-on-Q) (cont'd.)****Profit before tax and zakat (PBT)**

The Group recorded a PBT of RM246.8 million as compared to RM154.8 million in the corresponding quarter last year mainly due to the increase in revenue by 10.2%. The Group's cost increased by a lower rate of 2.0% as compared to the corresponding quarter last year.

PBT of the Malaysia operations increased by 13.5% to RM215.5 million. Turkey operations registered a profit of RM28.1 million, an improvement by RM66.5 million from the loss recorded in the corresponding quarter last year of RM38.4 million while the Qatar operations recorded a lower PBT of RM3.2 million as compared to the corresponding quarter last year of RM3.4 million.

Share of results of Associates and Joint Ventures (JV)

Share of results of associates in the current quarter under review amounted to RM1.4 million, higher by RM1.6 million as compared to losses of RM0.2 million for the corresponding quarter last year, due to higher contribution from Kuala Lumpur Aviation Fuelling System Sdn. Bhd. (KAFS).

Share of results of joint ventures in the current quarter under review amounted to RM4.1 million, higher by RM0.1 million as compared to the profits of RM4.0 million for the corresponding quarter last year, mainly due to higher contribution from Segi Astana Sdn. Bhd. (SASB).

YTD September 2019 vs YTD September 2018 (Y-on-Y)**Revenue**

The Group recorded revenue of RM3,868.7 million, 7.5% higher than revenue of RM3,600.0 million recorded in the corresponding period last year. The positive results were underpinned by the growth in airport operations driven by sustained growth in passenger and aircraft movements.

Aeronautical revenue segment grew by 15.1% to RM2,024.4 million over the corresponding period last year backed by strong passenger growth. Malaysia operations recorded passenger growth of 6.0% (international: +2.3%, domestic: +10.0%) to 78.0 million passengers as compared to the corresponding period last year of 73.6 million passengers. The passenger traffic for Turkey operations increased by 2.7% (international: +19.5%, domestic: -5.8%) to 26.6 million passengers as compared to the corresponding period last year.

17. PERFORMANCE REVIEW (cont'd.)**YTD September 2019 vs YTD September 2018 (Y-on-Y) (cont'd.)****Revenue (cont'd.)**

The non-aeronautical revenue increased by 3.8% to RM1,618.5 million, driven by the concessionaires and retailers from Turkey operation.

Non-airport operations revenue has increased by 5.4% over the corresponding period last year to RM225.8 million, mainly contributed by project and repair maintenance business.

Overall, Malaysia operations recorded revenue of RM2,776.3 million with growth of 6.3%, whilst Turkey and Qatar operations recorded revenue growth of 10.3% to RM972.7 million and 12.9% to RM119.7 million, respectively.

Profit before tax and zakat (PBT)

The Group recorded a lower PBT of RM613.0 million as compared to RM753.1 million in the corresponding period last year, due to the one-off gains recorded in the corresponding period last year in relation to the fair valuation of investment in GMR Hyderabad International Airport Limited (GHIAL) amounting to RM258.4 million and gain on disposal of investment in GMR Male Private Limited (GMIAL) amounting to RM28.2 million.

Excluding the one-off gains, the Group's PBT increased by 31.1% or RM145.4 million as compared to the corresponding period last year due to higher revenue from both airport and non-airport operations recorded during the period.

PBT of the Malaysia operations excluding the one-off gains in the corresponding period last year increased marginally by 3.2% or RM20.0 million. Turkey operations registered a loss before tax (LBT) of RM40.0 million, an improvement by 76.8% from the loss recorded in the corresponding period last year of RM172.2 million while Qatar operations recorded a lower PBT of RM6.8 million.

Share of results of Associates and Joint Ventures (JV)

Share of results of associates in the financial period-to-date amounted to RM6.7 million, higher by RM1.2 million as compared to RM5.5 million recorded in the corresponding period last year. The favourable variance was due to higher contribution from MFMA Development Sdn. Bhd. (MFMA), however cushioned by lower contribution from KAFS.

Share of results of joint ventures in the financial period-to-date amounted to RM13.9 million, higher by RM2.4 million as compared to RM11.5 million recorded in the corresponding period last year. The favourable variance was mainly due to higher contribution from SASB.

17. PERFORMANCE REVIEW (cont'd.)

a) ECONOMIC PROFIT (EP) STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2019 RM'000	Preceding Year Corresponding Quarter 30.09.2018 RM'000	Current Year To Date 30.09.2019 RM'000	Preceding Year Corresponding Period 30.09.2018 RM'000
Net Operating Profit Less Adjusted Tax (NOPLAT) computation				
Earnings before interest and tax (EBIT ¹)	405,637	350,208	1,084,058	1,275,688
Adjusted Tax	(97,353)	(84,050)	(260,174)	(306,165)
NOPLAT	308,284	266,158	823,884	969,523
Economic charge computation				
Average invested capital	16,270,978	17,000,839	16,270,978	17,000,839
Weighted average cost of capital per annum (post-tax WACC)	9.65% ²	9.30%	9.65% ²	9.30%
Economic Charge	392,537	395,270	1,177,612	1,185,809
Economic profit/(loss)	(84,253)	(129,112)	(353,728)	(216,286)

¹ EBIT is earning before finance costs, interest income and share of results of associates and joint ventures.

² WACC is based on submission to Malaysian Aviation Commission (MAVCOM) for Regulated Asset Base (RAB) framework implementation.

The unfavourable variance in EBIT for the current period under review was in part due to unrealised gain on the fair value of investment in GHIAL amounting to RM258.4 million and gain on disposal of investment in GMIAL amounting to RM28.2 million that were recorded in the corresponding period last year.

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.

The Group recorded lower economic loss of RM84.3 million for the current quarter under review as compared to economic loss of RM129.1 million recorded in the corresponding quarter last year due to higher EBIT.

However, the Group recorded higher economic loss of RM353.7 million for the financial period-to-date under review as compared to the economic loss of RM216.3 million recorded in the corresponding period last year due to lower EBIT.

17. PERFORMANCE REVIEW (cont'd.)

b) HEADLINE KEY PERFORMANCE INDICATORS (KPIs)

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

	2019 Headline KPIs	Actual YTD 30 September 2019
i) EBITDA*		
Malaysia operations (RM'000)	1,210,129	1,056,456
Overseas business:		
Turkey operations (EUR'000)	185,858	159,500
** Turkey operations (RM'000)	927,429	735,746
Qatar operations (QAR'000)	24,149	14,668
Qatar operations (RM'000)	26,081	16,637
ii) Airport Service Quality Rank	Above 40 mppa category: KLIA Ranking Top 13	Above 40 mppa category: KLIA ranked 16th out 38 airports

* Earnings before interest, taxation, depreciation and amortisation

** 2019 Budgeted exchange rate : EUR1 : RM4.99, QAR1 : RM1.08

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

	INDIVIDUAL QUARTER			
	Current Year Quarter 30.09.2019 RM'000	Immediate Preceding Quarter 30.06.2019 RM'000	Changes	
			RM'000	%
Revenue	1,355,160	1,261,200	93,960	7.5%
Profit before tax and zakat	246,779	201,600	45,179	22.4%

3Q 2019 vs 2Q 2019

Revenue

The Group's revenue for the current quarter increased by RM94.0 million or 7.5% to RM1,355.2 million against RM1,261.2 million in the immediate preceding quarter contributed by higher revenue from both airport and non-airport operations businesses.

Airport operations' revenue increased by 7.3% to RM1,278.7 million. The increase in revenue was due to higher aeronautical revenue by 7.5% mainly from the Turkey operations.

**18. MATERIAL CHANGE IN PROFIT BEFORE TAX AND ZAKAT OF CURRENT QUARTER
COMPARED WITH PRECEDING QUARTER (cont'd.)****3Q 2019 vs 2Q 2019 (cont'd.)****Revenue (cont'd.)**

Non-airport operations revenue increased by 10.7% over the immediate preceding quarter to RM76.5 million, mainly due to higher contributions from the project and repair maintenance business.

Overall, Malaysia, Turkey and Qatar operations have recorded an increase in revenue by 4.0% to RM940.3 million, 17.8% to RM374.8 million and 3.6% to RM40.1 million respectively.

Profit before tax and zakat (PBT)

The Group recorded a PBT of RM246.8 million in the current quarter, higher by RM45.2 million as compared to the PBT of RM201.6 million recorded in the immediate preceding quarter due to higher revenue by 7.5% or RM94.0 million recorded in the current quarter.

The PBT for Malaysia operations was lower by 1.1% to RM215.5 million whilst Qatar operations recorded higher PBT by RM3.1 million to RM3.2 million. Turkey operations recorded a higher profit of RM28.1 million as compared to the loss of RM16.5 million in the immediate preceding quarter.

Share of results of Associates and Joint Ventures (JV)

Share of results of associates in the current quarter amounted to RM1.4 million, lower by RM1.6 million as compared to RM3.0 million for the immediate preceding quarter. The unfavourable variance was due to lower contribution from MFMA.

Share of results of joint ventures in the current quarter amounted to RM4.1 million, lower by RM1.0 million as compared to RM5.1 million in the immediate preceding quarter. The unfavourable variance was due to lower contribution from SASB.

19. COMMENTARY ON PROSPECTS

MAHB's network of airports (including ISGIA) recorded 104.6 million passengers in the current period under review from 1 January 2019 to 30 September 2019, representing a growth of 5.1% over the corresponding period last year. During the same period, the Group's traffic for international passengers improved by 5.5% while traffic for domestic passengers increased by 4.8%. Correspondingly, the Group's aircraft movements improved by 3.0% with both international and domestic aircraft movements increasing by 3.9% and 2.4% respectively.

Malaysia Operations

Passenger traffic at MAHB operated airports registered 6.0% in growth with 78.0 million passengers in the current period under review. International passengers traffic registered a 2.3% increase to 39.4 million passengers and domestic passenger traffic increased by 10.0% to 38.6 million passengers.

International Air Transport Association (IATA) in its June 2019 report foresees a lower passenger growth due to economic growth weaknesses and fuel price increases. Consequently, IATA has revised downwards the forecasted 2019 global passenger growth by 1.0% to 5.0% and Asia Pacific by 1.2% to 6.3%. Malaysian Institute of Economic Research (MIER) in its April report stated that the Malaysian economy is set to grow at a slower pace for 2019 due to the slowdown in global demand as well as in domestic demand. International Monetary Fund (IMF) in April has also revised the global Gross Domestic Product (GDP) downwards for 2019 to 3.3% from 3.9% as announced in October 2018. However, MIER has maintained Malaysia's GDP forecast for 2019 at 4.5% and 4.5% to 5.5% for year 2020.

Moving forward, with the positive average load factors recorded in the current quarter under review, the 2019 budgeted traffic numbers is realistically achievable. The domestic traffic correction and consolidation are expected to continue until 1Q 2020 while the international sector could see further improvement. Nevertheless, challenges and uncertainties continue with respect to airlines performance, competition in the domestic environment as well as the local and global macro-economic outlook.

Overseas Operations

ISGIA recorded 26.6 million passengers in the current period under review, representing an increase of 2.7% over the corresponding period last year. International passenger traffic increased by 19.5% while domestic passenger traffic decreased by 5.8%. ISGIA performance will likely maintain its growth momentum in 2019 especially for international passenger traffic.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**
20. PROFIT FORECAST

The Group did not publish any profit forecast.

21. TAXATION AND ZAKAT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	Current Year	Preceding Year	Current Year	Preceding Year	
	Quarter	Corresponding	To Date	Corresponding	
	30.09.2019	Quarter	30.09.2019	Period	
	RM'000	30.09.2018	RM'000	30.09.2018	RM'000
Current tax	(23,212)	80,080	(71,971)	33,352	
Deferred taxation	(25,697)	(66,380)	(27,380)	(81,656)	
Zakat	-	-	(6,125)	(5,608)	
	<u>(48,909)</u>	<u>13,700</u>	<u>(105,476)</u>	<u>(53,912)</u>	

22. SALE OF PROPERTIES

There were no sales of properties since 31 December 2018.

23. INVESTMENTS IN QUOTED SECURITIES

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

24. STATUS OF CORPORATE PROPOSALS

There are no ongoing corporate proposals announced by the Group but not completed as at 27 November 2019 being a date not earlier than 7 days from the date of issuance of the quarterly report.

25. BORROWINGS

	As at 30.09.2019		As at 31.12.2018	
	EUR'000	RM'000	EUR'000	RM'000
	Unaudited		Audited	
Short-term borrowings				
Unsecured:				
Islamic Medium Term Notes (IMTN)	-	1,000,000	-	-
Secured:				
Senior Term Facility	49,798	228,073	44,896	212,357
Total short-term borrowings	<u>49,798</u>	<u>1,228,073</u>	<u>44,896</u>	<u>212,357</u>
Long-term borrowings				
Unsecured:				
Islamic Medium Term Notes (IMTN)	-	2,100,000	-	3,100,000
Secured:				
Senior Term Facility	371,611	1,701,977	387,088	1,830,929
Total long-term borrowings	<u>371,611</u>	<u>3,801,977</u>	<u>387,088</u>	<u>4,930,929</u>
Total borrowings	<u>421,409</u>	<u>5,030,050</u>	<u>431,984</u>	<u>5,143,286</u>

26. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	As at	Cash Flows	Non-cash changes		As at
	31.12.2018		Foreign Exchange Movements	Fair Value Changes	30.09.2019
	RM'000				RM'000
	Audited				Unaudited
Unsecured:					
Islamic Medium Term Notes (IMTN)	3,100,000	-	-	-	3,100,000
Secured:					
Senior Term Facility	2,043,286	(97,048)	(61,919)	45,731	1,930,050
Derivative financial instruments	57,097	-	2,859	10,736	70,692
	<u>5,200,383</u>	<u>(97,048)</u>	<u>(59,060)</u>	<u>56,467</u>	<u>5,100,742</u>

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

27. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 30 September 2019.

28. CHANGES IN MATERIAL LITIGATION

There were no other changes in material litigation against the Group and its subsidiaries since 31 December 2018 other than those disclosed in note 13.

29. DIVIDEND PAYABLE

There were no other dividends paid or declared during the current quarter and financial period-to-date under review other than disclosed in note 10.

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 Company by the weighted average number of ordinary shares in issue during the current quarter and financial period-to-date under review.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2019 RM'000	Preceding Year Corresponding Quarter 30.09.2018 RM'000	Current Year To Date 30.09.2019 RM'000	Preceding Year Corresponding Period 30.09.2018 RM'000
Profit attributable to Owners of the Company	197,870	168,492	507,529	699,207
Distribution to Perpetual Sukuk Holder	(14,493)	(14,493)	(43,007)	(43,007)
Net profit attributable to Owners of the Company	183,377	153,999	464,522	656,200
Weighted average number of ordinary shares in issue ('000)	1,659,192	1,659,192	1,659,192	1,659,192
Profit per share attributable to Owners of the Company (sen)	11.05	9.28	28.00	39.55

30. EARNINGS PER SHARE (EPS) (cont'd.)**Basic EPS (cont'd.)**

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-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

31. 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**Zawardi Mohamed Salleh**

Company Secretary

Sepang

27 November 2019