



financial statements

- **190** Directors' report
- **194** Statement by directors
- **195** Statutory declaration
- **196** Independent auditors' report
- **198** Income statements
- **199** Statements of comprehensive income
- **200** Consolidated statements of financial position
 - **202** Statements of financial position
 - **204** Statements of changes in equity
 - **206** Statements of cash flows
- **209** Notes to the financial statements

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are described in Note 17 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

Information in respect of the Group's operating agreements with the Government of Malaysia ("GoM"), including both the Group's obligations and operations are disclosed in Note 1.2 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit from continuing operations, net of tax	394,271	62,890
Profit from discontinued operations, net of tax	189	–
Profit net of tax	394,460	62,890
Profit attributable to:		
Owners of the parent	394,460	62,890

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the provision for impairment in respect of investment in an associate which has resulted in a decrease in the Group's profit net of tax by RM68,916,000 as disclosed in Note 18.

SHARE CAPITAL

During the year the Company increased its paid up share capital to RM1,210,000,000 by the issuance of 110,000,000 ordinary shares of RM1 each at a total premium of RM506,016,000 via a private placement.

On 21 January 2013, the Company further increased its paid up share capital to RM1,217,088,046 by the issuance of 7,088,046 ordinary shares of RM1 each, at a total premium of RM26,438,000 arising from the Dividend Reinvestment Plan relating to electable portion (for those shareholders electing for the re-investment) of the interim dividend of 6.0%, on 1,210,000,000 ordinary shares, declared on 30 November 2012 for the financial year ended 31 December 2012, as disclosed in Note 38.

DIVIDENDS

The amount of dividends declared or paid by the Company since 31 December 2011 were as follows:

	RM'000
In respect of the financial year ended 31 December 2011 as reported in the directors' report of that year:	
Final dividend of 12.85% less 25% taxation and 0.3% single tier dividend on 1,210,000,000 ordinary shares, declared on 29 March 2012 and paid on 11 May 2012	120,270
In respect of the financial year ended 31 December 2012:	
Single tier interim dividend of 6.0%, on 1,210,000,000 ordinary shares, declared on 23 October 2012 and paid on 18 January 2013 and partially reinvested on 21 January 2013	72,600
	192,870

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2012, of 7.63% single tier dividend on 1,217,088,046 ordinary shares, amounting to RM92,864,000 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2013.

The proposed final dividend may consist of an electable portion which can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Plan as disclosed in Note 38 to the financial statements, subject to the relevant regulatory approvals as well as shareholders' approval of (i) the final dividend and (ii) the renewal of authority for the issuance and allotment of new ordinary shares of RM1.00 each in the Company for the purpose of the Dividend Reinvestment Plan at the forthcoming Annual General Meeting. The Board on the 20th February 2013, has approved that the Dividend Reinvestment Plan shall apply to the proposed final dividend, which was declared earlier on the 4th February 2013, and that the entire proposed final dividend can be elected to be reinvested in new shares. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2013.

DIRECTORS

The directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Dato' Sri Dr. Wan Abdul Aziz bin Wan Abdullah (appointed on 7 June 2012)
Tan Sri Datuk Dr. Aris bin Othman (resigned on 6 June 2012)
Tan Sri Bashir Ahmad bin Abdul Majid
Datuk Siti Maslamah binti Osman
Datuk Alias bin Hj Ahmad
Jeremy bin Nasrulhaq
Datuk Seri Long See Wool
Chua Kok Ching [alternate director to Datuk Seri Long See Wool] (appointed on 25 June 2012)
Mohd Izani bin Ghani
Eshah binti Meor Suleiman
Norazura binti Tadzim [alternate director to Eshah binti Meor Suleiman]
Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin (appointed on 5 December 2012)
Dato' Syed Faisal Albar bin Syed A.R Albar (appointed on 5 December 2012)
Hajah Jamilah binti Dato' Hj Hashim (resigned on 5 December 2012)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 8 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, none of the directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION (CONT'D.)

- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS DURING THE YEAR

Significant events during the year are disclosed in Note 38 to the financial statements.

SUBSEQUENT EVENT

Subsequent event is disclosed in Note 39 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 20 February 2013.



Tan Sri Dato' Sri Dr. Wan Abdul Aziz bin Wan Abdullah



Tan Sri Bashir Ahmad bin Abdul Majid

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Tan Sri Dato' Sri Dr. Wan Abdul Aziz bin Wan Abdullah and Tan Sri Bashir Ahmad bin Abdul Majid, being two of the directors of Malaysia Airports Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 198 to 303 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2012 and financial performance and the cash flows of the Group and of the Company for the year then ended.

The information set out in Note 43 on page 304 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 20 February 2013.



Tan Sri Dato' Sri Dr. Wan Abdul Aziz bin Wan Abdullah



Tan Sri Bashir Ahmad bin Abdul Majid

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

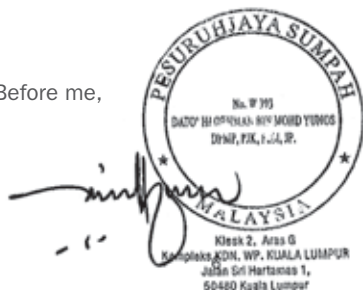
I, Faizal Sham bin Abu Mansor (MIA Number: 27407), being the officer primarily responsible for the financial management of Malaysia Airports Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 198 to 304 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Faizal Sham bin Abu Mansor at Kuala Lumpur in the Federal Territory on 20 February 2013.



Faizal Sham bin Abu Mansor

Before me,



**INDEPENDENT
AUDITORS' REPORT**

to the members of Malaysia
Airports Holdings Berhad
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Malaysia Airports Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2012, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 198 to 303.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the directors determine are necessary to enable the preparation of the financial statement that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2012 and of their financial performance and cash flows for the year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 17 to the financial statements, being financial statements that have been included in the consolidated financial statement.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 43 on page 304 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



Ernst & Young
AF: 0039
Chartered Accountants

Kuala Lumpur, Malaysia
20 February 2013



Nik Rahmat Kamarulzaman bin Nik Ab. Rahman
No. 1759/02/14(J)
Chartered Accountant

**INCOME
STATEMENTS**

for the financial year ended
31 December 2012

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

198

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

	Note	Group		Company	
		2012 RM'000	Restated 2011 RM'000	2012 RM'000	2011 RM'000
Continuing operations					
Revenue	3	3,548,062	2,754,812	1,365,209	905,643
Cost of inventories sold		(281,927)	(243,171)	–	–
Other income	4	124,955	131,559	115,224	80,072
Employee benefits expense	5	(471,403)	(426,807)	(98,934)	(61,859)
Construction costs	7	(1,321,744)	(782,259)	(1,194,191)	(680,909)
Depreciation and amortisation		(221,277)	(174,444)	(17,145)	(7,163)
Other expenses		(668,203)	(607,602)	(78,966)	(42,441)
Finance costs	6	(19,035)	(18,809)	–	–
Impairment of investment in associate company	18	(68,916)	–	–	–
Share of results of associates	18	(17,505)	(59,764)	–	–
Share of results of jointly controlled entities	19	(251)	677	–	–
Profit before tax and zakat from continuing operations	7	602,756	574,192	91,197	193,343
Taxation and zakat	9	(208,485)	(172,975)	(28,307)	(45,153)
Profit from continuing operations, net of tax		394,271	401,217	62,890	148,190
Discontinued operations					
Profit/(loss) from discontinued operations, net of tax	10	189	(54)	–	–
Profit net of tax		394,460	401,163	62,890	148,190
Profit attributable to:					
Owners of the parent		394,460	401,115	62,890	148,190
Non-controlling interests		–	48	–	–
		394,460	401,163	62,890	148,190
Earnings per share attributable to owners of the parent					
(sen per share)					
– basic, for profit from continuing operations	11	33.24	36.47		
– basic, for profit/(loss) from discontinued operations		0.02	–		
– basic, for profit for the year		33.26	36.47		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF
**COMPREHENSIVE
INCOME**

for the financial year ended
31 December 2012

	Note	Group		Company	
		2012 RM'000	Restated 2011 RM'000	2012 RM'000	2011 RM'000
Profit net of tax		394,460	401,163	62,890	148,190
Other comprehensive income:					
Available-for-sale financial assets					
– (Loss)/gain on fair value changes		(333)	740	314	–
Foreign currency translation		(1,173)	995	–	–
Share of other comprehensive income of associates	18	4,657	–	–	–
Other comprehensive income for the year, net of tax		3,151	1,735	314	–
Total comprehensive income for the year		397,611	402,898	63,204	148,190
Total comprehensive income attributable to:					
Owners of the parent		397,611	402,850	63,204	148,190
Non-controlling interests		–	48	–	–
		397,611	402,898	63,204	148,190

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

199

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED
STATEMENTS OF
FINANCIAL POSITION

as at 31 December 2012

	Note	Group	
		2012 RM'000	2011 RM'000
Assets			
Non-current assets			
Property, plant and equipment	13	290,829	260,534
Plantation development expenditure	14	50,336	51,862
Land use rights	15	7,639	7,760
Intangible assets	16	6,198,000	4,727,230
Investments in associates	18	20,378	61,615
Investment in jointly controlled entities	19	43,326	22,577
Available-for-sale investments	20	303,179	249,679
Trade and other receivables	21	354,998	348,054
Staff loans	22	35,330	34,528
Deferred tax assets	23	22,216	21,071
		7,326,231	5,784,910
Current assets			
Inventories	24	99,097	78,523
Trade and other receivables	21	640,240	785,018
Cash and cash equivalents	25	774,166	778,343
		1,513,503	1,641,884
Assets of disposal group classified as held for disposal	10	63	446
		1,513,566	1,642,330
Total assets		8,839,797	7,427,240

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

200

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

	Note	Group	
		2012 RM'000	2011 RM'000
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	26	1,210,000	1,100,000
Share premium		1,320,414	822,744
Retained earnings	27	1,826,758	1,625,168
Fair value adjustment reserve	28	5,136	812
Other reserve	29	2,546	2,546
Foreign exchange reserve	29	(5,574)	(4,401)
Total equity		4,359,280	3,546,869
Non-current liabilities			
Retirement benefits	30	–	5,537
Other financial liability	31	176,562	183,486
Loans and borrowings	32	3,100,000	2,500,000
Trade and other payables	33	250,895	234,421
Deferred tax liabilities	23	119,449	78,094
		3,646,906	3,001,538
Current liabilities			
Trade and other payables	33	802,395	841,394
Income tax payable		31,156	37,261
		833,551	878,655
Liabilities of disposal group classified as held for disposal	10	60	178
		833,611	878,833
Total liabilities		4,480,517	3,880,371
Total equity and liabilities		8,839,797	7,427,240

STATEMENTS OF
FINANCIAL POSITION
as at 31 December 2012

	Note	Company	
		2012 RM'000	2011 RM'000
Assets			
Non-current assets			
Property, plant and equipment	13	88,888	92,964
Intangible assets	16	2,855,420	1,542,458
Investments in subsidiaries	17	1,777,266	1,777,266
Investments in associates	18	161,582	133,658
Investment in jointly controlled entities	19	42,900	21,900
Available-for-sale investments	20	37,910	2,000
Trade and other receivables	21	49,204	49,204
		5,013,170	3,619,450
Current assets			
Inventories	24	40	40
Trade and other receivables	21	585,463	930,157
Cash and cash equivalents	25	489,959	500,553
		1,075,462	1,430,750
Total assets		6,088,632	5,050,200

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

202

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

	Note	Company	
		2012 RM'000	2011 RM'000
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	26	1,210,000	1,100,000
Share premium		1,320,414	822,744
Retained earnings	27	138,769	268,749
Fair value adjustment reserve		314	–
Total equity		2,669,497	2,191,493
Non-current liabilities			
Retirement benefits	30	–	1,051
Loans and borrowings	32	3,100,000	2,500,000
Deferred tax liabilities	23	35,158	24,319
		3,135,158	2,525,370
Current liabilities			
Trade and other payables	33	283,977	333,337
		283,977	333,337
Total liabilities		3,419,135	2,858,707
Total equity and liabilities		6,088,632	5,050,200

STATEMENTS OF
CHANGES IN EQUITY
for the financial year ended
31 December 2012

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

204

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

Group	Note	Attributable to owners of the parent										Total equity RM'000
		Non-distributable					Distributable					
		Share capital RM'000 (Note 26)	Share premium RM'000	Fair value adjustment reserve RM'000	Foreign exchange reserve RM'000	Other reserve RM'000	Distributable retained earnings RM'000 (Note 27)	Total RM'000	Total RM'000	Total RM'000	Total RM'000	
At 1 January 2011		1,100,000	822,744	72	(5,396)	-	1,386,991	3,304,411	5,498	3,309,909		
Total comprehensive income		-	-	740	995	-	401,115	402,850	48	402,898		
Transactions with owners												
Dividends	12	-	-	-	-	-	(162,938)	(162,938)	-	(162,938)		
Additional acquisition of equity interest from non-controlling interest	29	-	-	-	-	2,546	-	2,546	(5,546)	(3,000)		
Total transactions with owners		-	-	-	-	2,546	(162,938)	(160,392)	(5,546)	(165,938)		
At 31 December 2011		1,100,000	822,744	812	(4,401)	2,546	1,625,168	3,546,869	-	3,546,869		
At 1 January 2012		1,100,000	822,744	812	(4,401)	2,546	1,625,168	3,546,869	-	3,546,869		
Total comprehensive income		-	-	4,324	(1,173)	-	394,460	397,611	-	397,611		
Issuance of new shares via private placement	26	110,000	497,670	-	-	-	-	607,670	-	607,670		
Transactions with owners												
Dividends	12	-	-	-	-	-	(192,870)	(192,870)	-	(192,870)		
Total transactions with owners		-	-	-	-	-	(192,870)	(192,870)	-	(192,870)		
At 31 December 2012		1,210,000	1,320,414	5,136	(5,574)	2,546	1,826,758	4,359,280	-	4,359,280		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Note	← Non-distributable →			Distributable retained earnings RM'000 (Note 27)	Total equity RM'000
		Share capital RM'000 (Note 26)	Share premium RM'000	Fair value adjustment reserve RM'000		
Company						
At 1 January 2011		1,100,000	822,744	–	283,497	2,206,241
Total comprehensive income		–	–	–	148,190	148,190
Transactions with owners						
Dividends	12	–	–	–	(162,938)	(162,938)
At 31 December 2011		1,100,000	822,744	–	268,749	2,191,493
At 1 January 2012		1,100,000	822,744	–	268,749	2,191,493
Total comprehensive income		–	–	314	62,890	63,204
Issuance of new shares via private placement	26	110,000	497,670	–	–	607,670
Transactions with owners						
Dividends	12	–	–	–	(192,870)	(192,870)
At 31 December 2012		1,210,000	1,320,414	314	138,769	2,669,497

STATEMENTS OF
CASH FLOWS
for the financial year ended
31 December 2012

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

206

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cash flows from operating activities				
Profit/(loss) before tax and zakat from				
– continuing operations	602,756	574,192	91,197	193,343
– discontinued operations	189	(54)	–	–
Adjustments for:				
Interest income	(18,511)	(20,767)	(1,097)	(348)
Dividend income	–	–	(117,279)	(194,093)
Interest from late payments	(4,478)	(4,591)	–	–
Excess fund from liquidation	(381)	–	(381)	–
Interest expense	19,035	18,809	–	–
Provision for liabilities (Note 33)	5,980	8,942	1,623	152
Writeback of provision for liabilities	(271)	(511)	–	–
Amortisation of:				
– intangible assets	185,198	149,632	–	–
– plantation development expenditure	2,647	2,555	–	–
– land use rights	121	150	–	–
Depreciation of property, plant and equipment:				
– continuing operations	33,311	22,107	17,145	7,163
– discontinued operations	1	1	–	–
Amortisation of premium on investments	55	84	–	–
Impairment of investment in associate	68,916	–	–	–
Net (written-back)/allowance for doubtful debts:				
– continuing operations	(1,876)	2,054	23,297	–
– discontinued operations	(1)	1	–	–
Net bad debt written off/(recovered):				
– continuing operations	9,267	(100)	6,573	–
– discontinued operations	51	–	–	–
(Gain)/loss on disposal of:				
– property, plant and equipment	5,858	(316)	–	–
– intangible assets	112	284	–	–
– other investment	(85)	–	–	–
– bonds and medium term notes	(640)	–	–	–
Property, plant and equipment written off:				
– continuing operations	1,531	1	–	–
– discontinued operations	13	–	–	–
Intangible assets written off	1,662	717	–	–
Balance carried forward	910,460	753,190	21,078	6,217

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Balance brought forward	910,460	753,190	21,078	6,217
Inventories written off:				
– continuing operations	3,292	961	–	–
– discontinued operations	40	–	–	–
Retirement benefits	764	320	25	84
Investment income	(15,471)	(25,605)	(9,397)	–
Profit from construction contract	(63,305)	(38,243)	(53,739)	(30,641)
Share of results of:				
– Jointly controlled entities	251	(677)	–	–
– Associates	17,505	59,764	–	–
Operating profit/(loss) before working capital changes	853,536	749,710	(42,033)	(24,340)
(Increase)/decrease in inventories	(23,906)	(18,537)	–	116
Decrease/(increase) in receivables	135,339	(75,585)	(79,896)	(5,233)
(Decrease)/increase in payables	(137,310)	40,705	39,175	(18,066)
Decrease in concession liabilities	(15,234)	(13,823)	–	–
Decrease in provisions for liabilities	(3,060)	(7,013)	(14)	–
Changes in related company balances	–	–	199,241	74,614
Cash generated from operations	809,365	675,457	116,473	27,091
Taxes and zakat paid	(165,488)	(174,535)	(6,605)	(35,530)
Retirement benefits paid	(1,145)	(6,595)	(60)	(856)
Legal settlement	–	(6,467)	–	–
Net cash generated from/(used in) operating activities	642,732	487,860	109,808	(9,295)
Cash flows from investing activities				
Purchase of:				
– property, plant and equipment	(70,336)	(49,928)	(13,069)	(22,783)
– intangible assets	(1,595,315)	(1,027,089)	(1,306,517)	(776,551)
– quoted shares	(70,712)	(3,180)	–	–
– other investment	(221)	–	(35,600)	–
– additional equity interest from non-controlling interest	–	(3,000)	–	–
– plantation development expenditure	(1,121)	(2,049)	–	–
Proceeds from disposals of:				
– property, plant and equipment	197	316	–	–
– intangible assets	8	–	47,294	–
– other investments	3,784	3,000	–	5
Balance carried forward	(1,733,716)	(1,081,930)	(1,307,892)	(799,329)

STATEMENTS OF
CASH FLOWS
for the financial year ended
31 December 2012

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

208

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Balance brought forward	(1,733,716)	(1,081,930)	(1,307,892)	(799,329)
Proceed arising from dissolution of jointly controlled entity	–	100	–	–
Advances to associate	(27,924)	(19,458)	(27,924)	(19,458)
Acquisition in jointly controlled entities	–	(21,900)	–	(21,900)
Acquisition in a subsidiary	–	–	–	(3)
Additional investment in an associate	–	(160)	–	(160)
Redemption of bonds	5,909	–	–	–
Investment income received	15,471	25,605	9,397	–
Excess fund from liquidation	381	–	381	–
Interest received	8,669	10,035	1,097	348
Dividend received from:				
– an associate	2,400	7,665	–	–
– subsidiaries	–	–	117,279	194,093
Net cash used in investing activities	(1,728,810)	(1,080,043)	(1,207,662)	(646,409)
Cash flows from financing activities				
Share issuance expenses	(8,346)	–	(8,346)	–
Proceed from issuance of shares	110,000	–	110,000	–
Proceed from issuance of share premium	506,016	–	506,016	–
Drawdown of loans and borrowings	600,000	–	600,000	–
Interest paid	(5,402)	(6,070)	–	–
Dividends paid to shareholders of the Company	(120,410)	(163,210)	(120,410)	(163,210)
Net cash generated from/(used in) financing activities	1,081,858	(169,280)	1,087,260	(163,210)
Net decrease in cash and cash equivalents	(4,220)	(761,463)	(10,594)	(818,914)
Effects of foreign currency translation	(20)	36	–	–
Cash and cash equivalents classified as held for disposal	63	–	–	–
Cash and cash equivalents at beginning of year	778,343	1,539,770	500,553	1,319,467
Cash and cash equivalents at end of year (Note 25)	774,166	778,343	489,959	500,553

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. CORPORATE INFORMATION AND OPERATING AGREEMENTS

1.1 Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Malaysia Airports Corporate Office, Persiaran Korporat KLIA, 64000 KLIA, Sepang, Selangor Darul Ehsan.

The immediate holding company is Khazanah Nasional Berhad and the ultimate holding body is the Minister of Finance (Incorporated) ("MoF"), a corporate body which was incorporated under the Minister of Finance (Incorporation) Act, 1957.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are described in Note 17. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20 February 2013.

1.2 Operating Agreements

On 12 February 2009, the Group signed the following operating agreements between the Company with Malaysia Airports (Sepang) Sdn. Bhd. ("MA (Sepang)") and the Government of Malaysia ("GoM") ("Operating Agreement for KLIA") and between the Company with Malaysia Airports Sdn. Bhd. ("MASB") and the GoM ("Operating Agreement for Designated Airports").

The operating agreements include the following salient information:

- (a) To restate the Group's respective rights and commitments with respect to the operation, management, maintenance and development of KLIA and the Designated Airports, and to terminate all prior rights and commitments arising from the concession agreement and lease agreement for KLIA entered into earlier between the GoM and MA (Sepang) save for rights and commitments expressly excluded in the Operating Agreements for KLIA and the Designated Airports;
- (b) The settlement of Residual Payment owing by MA (Sepang) to the GoM in a manner that could not significantly deplete the cash reserves of the Group, and that would take into consideration the Group's financial resources and business plans; and
- (c) The GoM shall procure the Federal Lands Commissioner ("FLC") as the registered owner of the Airport Lands ("Lands"), to lease to the Operator these Lands by procuring the execution by FLC of the New Lease Agreement (substantially in the form annexed of the Operating Agreements). The period of the lease under the New Lease Agreement shall be co-terminous with the operating period to the extent that if the Operating Rights are extended pursuant to the terms and conditions of the Operating Agreements or otherwise, the period of such lease shall be accordingly extended on such terms and conditions to be determined by the GoM, the FLC and the Operator for the relevant period.
- (d) In consideration of the GoM entering into the Operating Agreements for KLIA and Designated Airports, MA (Sepang) and MASB agree to pay the GoM the User Fee. User Fee is equal to a specified percentage of revenue the Group derive from activities carried out at KLIA and other airports. Until the Balance Residual Payment has been settled, the GoM shall be entitled to receive half of the User Fee whereby another half is paid to the GoM to reduce the Balance of Residual Payment. The accounting policy for User Fee is described in Note 2.4(u).

1. CORPORATE INFORMATION AND OPERATING AGREEMENTS (CONT'D.)

1.2 Operating Agreements (cont'd.)

- (e) Under the Operating Agreement, the GoM shall assist Malaysia Airports Holdings Berhad ("MAHB") in bearing its socio-economic obligations by compensating MA (Sepang) and MASB with a marginal cost support sum ("MARCS") as disclosed in Note 2.4(v)(iv) for marginal losses suffered, arising from the undertaking of socio-economic activities and GoM policies.
- (f) The Operating Rights are granted by the GoM to further define and augment the rights of MA (Sepang) as a licensed airport operator and manager of KLIA, and MASB as a licensed airport operator and manager of the Designated Airports, and the Operating Rights shall run for a period of twenty five (25) years from 12 February 2009 and may be renewed by the GoM.
- (g) Under the Operating Agreements, these rights may be revoked by the GoM for certain prescribed reasons, including any default on the MAHB Group's obligations, any order being made, or a resolution being passed, for the winding-up, liquidation, or receivership of MAHB or its principal subsidiaries, MA (Sepang) or MASB, the execution of any judgement against a substantial portion of the assets of MAHB or MA (Sepang) or MASB, if MAHB, MA (Sepang) or MASB were to make an assignment or enter into an arrangement or composition with its creditors or the licenses held by MA (Sepang) or MASB to operate airports being revoked or suspended by the GoM. The New Operating Agreements permit the GoM to expropriate the rights with three months' written notice if they determine, in their sole discretion, that it is in the national interest or in the interest of national security. Upon the GoM exercising its rights of termination, the GoM shall pay an amount to be determined by an independent valuer appointed by the GoM and the Group.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 January 2012 as described fully in Note 2.2.

The financial statements of the Group and of the Company have also been prepared on a historical basis, unless otherwise indicated in the summary of significant accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000), except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2012, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2012.

Effective for financial periods beginning on or after 1 July 2011

IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14 Prepayments of a Minimum Funding Requirement

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.2 Changes in accounting policies (cont'd.)

Effective for financial periods beginning on or after 1 January 2012

Amendments to FRS 1 Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters

Amendments to FRS 7 Transfers of Financial Assets

Amendments to FRS 112 Deferred Tax: Recovery of Underlying Assets

FRS 124 Related Party Disclosures

Effective for financial periods beginning on or after 1 July 2012

Amendments to FRS 101 Presentation of Items of Other Comprehensive Income

The MASB issued an amendment to FRS 124 that clarifies the definitions of a related party. The new definitions emphasise a symmetrical view of related party relationships and clarifies the circumstances in which persons and key management personnel affect related party relationships of an entity. In addition, the amendment introduces an exemption from the general related party disclosure requirements for transactions with government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The adoption of the amendment did not have any impact on the financial position or performance of the Group.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Effective for financial periods beginning on or after 1 January 2013

FRS 9 Financial Instruments

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

FRS 127 Separate Financial Statements

FRS 128 Investment in Associate and Joint Ventures

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

Except for the changes in accounting policies arising from the adoption of FRS 10 and FRS 11, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the changes in accounting policy on adoption of the FRS 10 and FRS 11 are described below:

FRS 10 Consolidated Financial Statements

FRS 10 replaces the portion of FRS 127 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. FRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by FRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in FRS 127.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.3 Standards issued but not yet effective (cont'd.)

FRS 11 Joint Arrangements

FRS 11 replaces FRS 131 Interests in Joint Ventures and IC Interpretation 11.3 Jointly-controlled Entities – Non-monetary Contributions by Venturers.

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.

FRS 128 Investment in Associate and Joint Ventures

As a consequence of the new FRS 11 Joint Arrangements and FRS 12 Disclosure of Interests in Other Entities, FRS 128 Investments in Associates, has been renamed FRS 128 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. The revised standard becomes effective for annual periods beginning on or after 1 January 2013.

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 to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called ‘Transitioning Entities’).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

However, on 30 June 2012, MASB has decided to allow the Transitioning Entities to defer adoption of the MFRS Framework for another year. MFRS will therefore be mandated for all companies for annual periods beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2014.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(a) Subsidiaries and basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(iii) Transactions with non-controlling interests

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial position, separately from parent shareholders' equity. Transactions with minority interests are accounted for using the entity concept method, whereby, transactions with minority interests are accounted for as transactions with owners. On acquisition of minority interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to minority interests is recognised directly in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(b) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the statement of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes.

In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not co-terminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(c) Jointly controlled entities

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves an unincorporated entity or the establishment of a separate entity in which each venturer has an interest.

Investment in jointly controlled entity is accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.4(b). Adjustments are made in the Group's consolidated financial statements to eliminate the Group's share of intragroup balances, income and expenses and unrealised gains and losses on transactions between the Group and its jointly controlled entities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(c) Jointly controlled entities (cont'd.)

The financial statements of the jointly controlled entities are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies into line with those of the Group.

In the Company's separate financial statements, investment in jointly controlled entity is stated at cost less impairment loss. On disposal of such investment, the difference between net disposal proceeds and their carrying amount is included in profit or loss.

(d) Intangible assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on usage based method and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each reporting date.

(iii) Concession rights

As disclosed in Note 1.2, the Group signed Operating Agreements on 12 February 2009 for a period of 25 years ending 2034 and the consideration paid to the GoM is classified as concession rights.

The Group's amortisation policy in respect of the operating agreements is determined on the method reflecting the asset's usage based on passengers volume and usage of airport activities over the concession period. The current amortisation used shall reflect the pattern in which the concession's future economic benefits are expected to be consumed by the Group and is applied consistently from period to period, unless there is a change in the expected pattern of consumption of those future economic benefits.

(iv) Infrastructure and construction assets

Infrastructure and construction assets comprised assets which are constructed by the Group in exchange for the right of the Group to charge users of the public service infrastructure that it has constructed or upgraded and are stated at the fair value of construction services delivered including certain mark-up on the actual costs incurred and are amortised over the respective economic useful lives on a straight line amortisation. The Capital Work in Progress relating to these assets is not amortised until the assets are fully completed and brought to use.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(d) Intangible assets (cont'd.)

(iv) Infrastructure and construction assets (cont'd.)

Capital improvements relate to the upgrading and resurfacing of runway.

The amortisation policy of these classes of assets is over the concession period.

(e) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Capital work-in-progress comprises the construction of buildings, renovation in-progress and other assets which have not been commissioned. Capital work-in-progress is not depreciated.

Capital work-in-progress is capitalised in accordance with FRS 116 Property, Plant and Equipment and is recognised as an asset when:

- (i) it is probable that future economic benefits associated with the asset will flow to the enterprise; and
- (ii) the cost of the asset to the enterprise can be measured reliably.

In prior year, upon the adoption of IC 12 Service Concession Arrangements, certain classes of property and equipment were reclassified as infrastructure and construction assets within intangibles.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Land & buildings	2% – 4%
Hotel property	4%
Infrastructure, safety equipment and motor vehicles	4% – 50%
Office, communications and electronic equipment	10% – 50%
Furniture and fittings	10% – 20%
Plant and machinery	10% – 20%
Crockery, glassware, cutlery and linen	20%

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(f) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(g) Inventories

Inventories relating to merchandise goods and food and beverages are stated at the lower of cost (determined on a weighted average basis) and net realisable value. Cost of inventories comprises cost of purchase of goods. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution. Other inventories not to be resold and for consumption purposes are classified as spares and consumables.

(h) Plantation development expenditure

New planting expenditure incurred on land clearing and upkeep of trees to maturity are capitalised under plantations.

Amortisation of plantation development expenditure is at a rate of 4% per annum.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(i) Replanting expenditure

Replanting expenditure incurred during the year is recognised in the profit or loss. Replanting expenditure represents the total cost incurred from land clearing to the point of harvesting.

(j) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

(i) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(j) Financial assets (cont'd.)

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

The Group and the Company do not have any financial assets designated as financial assets at fair value through profit or loss nor held to maturity investments.

(k) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(k) Impairment of financial assets (cont'd.)

(ii) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

(l) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at banks and deposits at call which have an insignificant risk of changes in value.

(m) Leases

(i) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Lease assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(m) Leases (cont'd.)

(ii) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

(n) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

(o) Income tax and zakat

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(o) Income tax and zakat (cont'd.)

(ii) Deferred tax (cont'd.)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Zakat

Zakat payable by the Group and the Company is a form of contribution according to the principles of Syariah.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(p) Provisions for liabilities

Provisions for liabilities are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

Provision for restructuring costs is recognised when a detailed and formal restructuring plan has been approved, and the restructuring has either commenced or has been announced publicly. Costs relating to ongoing activities are not provided for.

(q) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(r) Concession liabilities

Concession liabilities are in respect of concession contracts and are recognised for the following arrangements:

- (i) Annual charges and land usage charges payable to GoM.
- (ii) Airport Facilities Agreement relating to chilled water utilities pursuant to the operating agreement payable to a service provider.

(s) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

(iii) Defined benefit plan

The Group operated an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for all qualifying staff who have been confirmed in service whereby only employees who have earned in return for their service up to 31 December 2004 shall continue to benefit from the Scheme but limited to their qualifying number of years employed up to and equivalent factoring as at 31 December 2004. The existing employees as well as new employees who have earned in return for their service subsequent to 31 December 2004 are not eligible for the Scheme but shall be compensated based on the Scheme in the defined contribution plans in Note 2.4(s)(ii) above.

The Group's obligations under the Scheme were determined based on triennial actuarial valuation where the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted using the Projected Unit Credit Method in order to determine its present value.

However, as disclosed in Note 30, during the year the Group had revised the Scheme for executive employees and the remaining amount due to employees will be credited to their EPF contribution.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(t) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies monetary are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each statements of financial position presented are translated at the closing rate prevailing at the reporting date;
- Income and expenses for each profit or loss are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(t) Foreign currencies (cont'd.)

The principal exchange rates used for every unit of foreign currency ruling at the reporting date are as follows:

	2012 RM	2011 RM
United States Dollar (USD)	3.06	3.17
Great Britain Pound (GBP)	4.95	4.90
Singapore Dollar (SGD)	2.50	2.56
Euro (EUR)	4.04	4.11
Switzerland Swiss Franc (CHF)	3.35	3.38
China Renminbi (RMB)	0.49	0.50
Hong Kong Dollar (HKD)	0.39	0.41

(u) User Fee

User Fee is payable to the GoM and equal to a specified percentage of all revenue the Group derive from activities at KLIA and other airports that involves the use of airport infrastructure, assets provided by or financed by the GoM or land belonging to the GoM. The User Fee increases over time by approximately 0.25% per annum and is payable on quarterly basis and increases further depending on the capital expenditure borne by the GoM based on the criteria set out in the Operating Agreements. The revenue base used in calculating the User Fee does not include any construction revenue, reimbursements, interest income, recovery of bad debt or inter-company transactions. The amount recognised in the profit or loss represents half of the total User Fee payable to the GoM. The balance is paid to reduce the amount due to GoM as disclosed in Note 33(c). Upon its full settlement, the full User Fee thereafter will be fully recognised in the profit or loss.

(v) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(ii) Sale of goods

Revenue is recognised net of sales taxes and upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(v) Revenue recognition (cont'd.)

(iii) Revenue from services

Revenue from airport management and horticulture service rendered are recognised net of service taxes and discounts as and when the services are performed.

Revenue from contracts are recognised by reference to the stage of completion at the reporting date. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

(iv) Marginal Cost Support Sum ("MARCS")

Under the Operating Agreements, the GoM shall assist the Group in bearing its socio-economic obligations by compensating the Group with a marginal cost support sum ("MARCS") for marginal losses suffered, arising from the undertaking of socio-economic activities and GoM policies.

The MARCS support is recognised in the financial statements throughout the concession year as revenue when recovery is probable and the amount that is recoverable can be measured reliably. Further details are disclosed in Notes 1.2 and 3. There were no MARCS recognised in 2012 as the Group is no longer entitled to claim for MARCS since the Government has approved the revised Passenger Service Charge ("PSC") rates with effect from November 2011.

(v) Revenue from hotel operations

Revenue from rental of hotel rooms, sale of food and beverages and other related income are recognised when the services are performed.

(vi) Construction revenue

Construction revenue is recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the Construction cannot be estimated reliably, revenue is recognised to the extent of Construction costs incurred if it is probable that they will be recoverable. Construction costs are recognised as expenses in the year in which they are incurred.

(vii) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(w) Disposal groups classified as held for sale and discontinued operations

A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(w) Disposal groups classified as held for sale and discontinued operations (cont'd.)

Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in profit or loss.

(x) Concession contracts

A substantial portion of the Group's assets are used within the framework of concession contracts/ Operating Agreements granted by the GoM ("the grantor"). The characteristics of the Operating Agreements generally provide, directly or indirectly, for customer involvement in the determination of the service and its remuneration, and the return of the assets necessary to the performance of the service at the end of the contract.

In order to fall within the scope of concession contract, a contract must satisfy the following two criteria:

- the grantor controls or regulates what services the operator must provide with the infrastructure/assets, to whom it must provide them, and at what price; and
- the grantor controls the significant residual interest in the infrastructure/assets at the end of the term of the arrangement.

Such assets are not recognised by the Group as property, plant and equipment but as intangible assets as described in Note 2.4(d)(ii). The intangible asset model applies where the operator is paid by the users or where the concession grantor has not provided a contractual guarantee in respect of the amount recoverable. The intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of the public service.

Intangible assets resulting from the application of this policy are recorded in the statement of financial position under the heading 'Concession intangible assets' and are amortised on the method reflecting the asset's usage based on passengers volume and usage of airports activities over the concession period. Under the intangible asset model, revenue includes revenue from the construction of the infrastructure/assets and operating revenue of the infrastructure.

(y) IC Interpretation 12 Service Concession Arrangements

IC Interpretation 12 – Service Concession Arrangements ("IC 12") adopted by the Group applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. Depending on the contractual terms, this interpretation requires the operator to recognise a financial asset if it has an unconditional contractual right to receive cash or an intangible asset if it receives a right (license) to charge users of the public service. Some contractual terms may give rise to both a financial asset and an intangible asset.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Summary of significant accounting policies (cont'd.)

(y) IC Interpretation 12 Service Concession Arrangements (cont'd.)

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

Under IC 12, the operator may provide construction services to the grantor in exchange for an intangible asset, i.e. a right to collect revenue in accordance with the Operating Agreements. In accordance with FRS 138 Intangible Assets, the operator recognises the intangible asset at its fair value. The fair value of the intangible asset is calculated by including a certain mark-up on the actual cost incurred, estimated to reflect a margin consistent where possible with other similar construction works.

In addition, pursuant to the Airport Facilities Agreement (“AFA”) where the agreement is dependent on a specified asset, the Group recognised an asset and a liability at an amount equal to the value of the underlying asset as determined in the AFA and subsequently the liability shall be reduced as payments are made and an imputed finance charge on the liability recognised using the purchaser’s incremental borrowing rate of interest.

2.5 Significant accounting judgements and estimates

(a) Critical judgements made in applying accounting policies

The following are the judgements made by management in the process of applying the Group’s accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(i) Amortisation of concession rights

The carrying amount of the concession asset is amortised over the concession period determined by the method where the amortisation method used shall reflect the pattern which the concession’s future economic benefits are expected to be consumed by the Group based on the expected number of passengers and the utilisation of the airports over the concession period. The variable factors in determining the estimated amortisation includes projected total number of passengers for subsequent years to year 2034. The assumptions to arrive at the passenger volume projections and usage of airports also take into consideration the growth rate based on current market and economic conditions. Changes in the expected passenger volume and usage of airports could impact future amortisation charges.

(ii) Amount due from GoM

Management assessed the amount claimable from the GoM together with the future obligations of the Group in respect of User Fee payable to the GoM.

Profit projections are used in determining the future obligations in respect of future User Fee payable for any potential set-off against the amount claimable from GoM as at reporting date. The profit projections by the management are based on various assumptions, amongst others including passenger volume, usage of airports, amortisation of concession asset and projected growth rate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.5 Significant accounting judgements and estimates (cont'd.)

(a) Critical judgements made in applying accounting policies (cont'd.)

(ii) Amount due from GoM (cont'd.)

Further management's key assumptions and judgement on arriving at the initial recognition and the fair value of the amount receivable from the GoM relating to the option of the racing circuit which was recognised as receivables in prior years are as follows:

- The present value of the consideration of the racing circuit option is calculated on the assumption that the amount expected to be received by the Group at the end of the option period in April 2019.
- The consideration of the racing circuit is based on the book value of the circuit as at 31 December 2010 and subsequent to the present value of the amount classified as long-term debts (receivable from the GoM).
- The discounted rate used of 4.55% which approximated the prevailing market rates at the date of inception and subsequent changes to the accretion of the present value is accounted for as interest income relating to loans and receivables in future years.

Details of amounts due from and to GoM are disclosed in Notes 21 and 33.

(iii) Revenue recognition

Included in the Group's revenue is revenue in respect of certain aeronautical and commercial debtors where the Group has not finalised the definitive terms of agreement with these customers. The estimated revenue is based on pre-determined rates negotiated upon the operations of the K.L. International Airport ("KLIA") and the amount determined is expected to be probable. The management estimates that based on their experience with other customers where definitive terms were finalised, the formalisation of the agreed rates will not be materially different if such rates are being re-negotiated. Revenue will not be recognised if the amounts cannot be reliably measured and are not expected to be probable.

Significant judgement is also applied to determine the accrued revenue for aeronautical and commercial debtors based on passenger movements, the number of airlines and timing of billings.

As at reporting date, the amount of accrued revenue for aeronautical and commercial debtors as disclosed in Note 21 comprised approximately 4% (2011: 4%) of the total revenue.

(iv) Land use rights

The Group has assessed that the previous amount paid was in relation to the rights to occupy the land leased by the Federal Land Commissioner, and accordingly pursuant to Amendments to FRS 117, prepaid land lease payments is classified as land use rights.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.5 Significant accounting judgements and estimates (cont'd.)

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(ii) Deferred taxation

Deferred tax assets are recognised for all unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in Note 23.

(iii) Airline incentives

The management determined that the Group's obligation to provide the airlines incentives should be recognised and measured by allocating some of the consideration received or receivable from the sales transactions to award credits and deferring the recognition of revenue.

In deferring the recognition of revenue, management estimated and made certain assumptions on the probability of each airline to have met the conditions imposed by the Group in order to qualify under the incentive programme such as the achievement of the growth rate of the inbound passengers and landing managed by the respective airlines, the probability of non-disputing of billings and settlement of outstanding debts; and the likelihood of the existence of the airlines within the next twelve months from the date of the airlines' incentive entitlement.

Further information on airline incentives are disclosed in Note 33(d).

(iv) Impairment of investments in associates

Investments in associates are for long term basis and the Company determines whether the carrying amounts of its investments in associates are impaired at least on an annual basis at reporting date. This requires an estimation of the value in use of the cash-generating units ("CGU") which is attributable to those investments. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.5 Significant accounting judgements and estimates (cont'd.)

(b) Key sources of estimation uncertainty (cont'd.)

(iv) Impairment of investments in associates (cont'd.)

In respect of the investment in Sabiha Gokcen International Airport ("SGIA"), the recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a period of 17 years projection. The key assumptions used for each of the CGU's value-in-use calculations are as follows:

(a) Gross Margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year, adjusted for market and economic conditions and internal resource efficiency. The average gross margin expected in the projection is approximately 46% (2012: 53.8%).

(b) Growth rate

The average growth rate used is based on the annual growth rate of 6.6% (2011: 7.5%).

(c) Discount rate

The discount rates used range is 7.8% (2011:12%) which approximates the CGU's average cost of funds in SGIA.

(d) Sensitivity to changes in the assumptions

Management believes that no reasonably possible changes to the above key assumptions, would cause the carrying amount of investment to materially exceed its recoverable amount.

(v) Concession contract and percentage of completion

The Group provides construction services in exchange for the right to operate the airport in accordance with the Operating Agreements. As described in Note 2.4(y) IC 12 Service Concession Arrangement, the Group recognises the revenues and costs in accordance to FRS 111 Construction Contracts by reference to the stage of completion of the construction activity. The date of completion is measured by reference to the Construction costs incurred for work performed to date bear to the estimated total costs for the contract.

(vi) Mark-up rate for the construction

The airport operations right in exchange for the construction services provided is recognised at the fair value of the consideration receivable for the construction services delivered. The fair value of the consideration receivable for the construction services delivered is calculated by including certain mark-up, estimated to reflect a margin consistent with other similar construction work where possible, on the actual costs incurred. Mark-up rate used in calculating the fair value of the consideration receivable estimated by the Group on the current construction projects is 4.5% and 7.5% depending on the nature of work involved as disclosed in Note 16.

(vii) Concession liabilities

As disclosed in Note 2.4(r) & (y), the Group recognised an asset and a liability at an amount equal to the fair value of the underlying asset as determined in the agreement and subsequently the liability shall be reduced when payments are made and an imputed finance charge estimated to be at 5.5% per annum over the period of 20 years ending 2018. Had the estimation of the finance charge increase or decrease by 10% of the discount rate used, the net interest charged would be higher by approximately RM712,000 and lower by RM681,000 respectively.

3. REVENUE

	Group		Company	
	2012 RM'000	Restated 2011 RM'000	2012 RM'000	2011 RM'000
Airport operations:				
– Airport services:				
– Aeronautical	1,101,729	992,624	–	–
Less: airline incentives	(65,019)	(103,660)	–	–
	1,036,710	888,964	–	–
– Non-aeronautical	448,943	424,425	–	–
– Construction revenue*	1,385,049	820,502	1,247,930	711,550
– Duty free and non-dutiable goods	536,455	473,328	–	–
Non-airport operations:				
– Agriculture and horticulture	45,594	55,390	–	–
– Hotel operations	75,051	73,783	–	–
– Project and repair maintenance	20,260	18,420	–	–
Dividend income from subsidiaries	–	–	117,279	194,093
	3,548,062	2,754,812	1,365,209	905,643

Included in aeronautical revenue is marginal cost support sum income of RM57,252,000 (2011: RM145,489,000) as disclosed in Note 2.4(v)(iv).

* Construction revenue relates to revenue recognised as required under IC 12 and in accordance with FRS 111 in respect of the construction of *Klia2* and development of *Penang International Airport*.

4. OTHER INCOME

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Interest income:				
– Unquoted investment and staff loan	6,987	9,259	1,097	348
– Other loans and receivables	10,974	10,732	–	–
– Net fair value gain on available-for-sale financial assets	550	776	–	–
Investment income from:				
Available-for-sale financial assets on equity instruments				
– quoted in Malaysia	12,371	114	8,281	–
– unquoted in Malaysia	3,100	25,491	1,116	–
Rental income:				
– Minimum lease payments	9,120	9,088	–	–
Gain on disposal of property, plant and equipment	–	316	–	–
Gain on disposal of bonds and medium-term notes	725	–	–	–
Net realised foreign exchange gain	3,785	3,154	196	906
Management fee charged to subsidiaries	–	–	100,888	74,214
Excess fund from liquidation	381	–	381	–
Interest from late payments	4,478	4,591	–	–
Recoupment of expenses	61,907	60,572	199	550
Miscellaneous	10,577	7,466	3,066	4,054
	124,955	131,559	115,224	80,072

5. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2012 RM'000	Restated 2011 RM'000	2012 RM'000	2011 RM'000
Wages and salaries	268,451	250,581	50,380	34,740
Bonus	64,200	52,881	16,676	6,328
Contributions to defined contribution plans	60,226	50,453	10,522	7,930
Social security contributions	3,901	3,735	498	345
Short-term accumulating compensated absences	2,222	824	673	152
Retirement benefits (Note 30)	764	320	25	84
Other employee benefits	71,639	68,013	20,160	12,280
	471,403	426,807	98,934	61,859

Included in employee benefits expense of the Group and of the Company are executive director's remuneration amounting to RM1,462,000 (2011: RM1,279,000) and RM1,462,000 (2011: RM1,279,000) respectively as further disclosed in Note 8.

6. FINANCE COSTS

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Interest expense:				
– concession payables and borrowings	116,330	95,037	110,928	90,038
– financial liabilities	13,633	12,739	–	–
Less: Interest expense capitalised in intangible assets (Note 16)*	(110,928)	(88,967)	(110,928)	(90,038)
Total finance costs	19,035	18,809	–	–

* The amount is arrived at after netting off interest income of RM5,362,000 (2011: RM27,561,000).

7. PROFIT BEFORE TAX AND ZAKAT

The following items have been included in arriving at profit before tax and zakat:

	Group		Company	
	2012 RM'000	Restated 2011 RM'000	2012 RM'000	2011 RM'000
Non-executive directors' remuneration excluding benefits-in-kind (Note 8)	807	658	807	658
Auditors' remuneration:				
– statutory	529	487	82	76
– other services	1,013	415	1,013	415
User Fee expenses	99,183	84,240	–	–
Rental expense	16,000	15,813	6,069	5,771
Depreciation of property, plant and equipment (Note 13)	33,311	22,107	17,145	7,163
Amortisation of:				
– plantation development expenditure (Note 14)	2,647	2,555	–	–
– land use rights (Note 15)	121	150	–	–
– intangibles (Note 16)	185,198	149,632	–	–
Amortisation of premium on investments	55	84	–	–
Property, plant and equipment written off	1,531	1	–	–
Intangible assets written off	1,662	717	–	–
Loss on disposal of intangible assets	112	284	–	–
Loss on disposal of property, plant and equipment	5,858	–	–	–
Net (writeback of)/allowance for doubtful debts	(1,876)	2,054	23,297	–
Inventories written off	3,292	961	–	–
Bad debts written off/(recovered)	9,267	(100)	6,573	–
Utilities charges	198,416	187,799	1,940	1,757
Repair and maintenance costs	169,247	149,448	6,429	6,480
Management fee paid to hotel operator	2,725	2,775	–	–
Legal and other professional fees	16,865	12,278	5,929	4,161

User Fee amounting to RM99,183,000 (2011: RM84,240,000) relates to license and operating rights payable to the GoM which ranges from 9.38% to 9.66% (2011: 9.04% to 9.26%) of gross revenues by the Group from activities carried out at KLIA and other airports excluding construction revenue, reimbursements, interest income, recovery of bad debt or inter-company transactions.

Construction cost is in respect of cost recognised relating to the construction of klia2 and development of Penang International Airport by reference to the stage of completion. Construction cost also includes employee cost of RM10,083,000 (2011: RM3,961,000).

8. DIRECTORS' REMUNERATION

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Executive director's remuneration (Note 5):				
– Other emoluments	1,462	1,279	1,462	1,279
Non-executive directors' remuneration (Note 7):				
– Fees	388	399	388	399
– Other emoluments	419	259	419	259
	807	658	807	658
Total directors' remuneration	2,269	1,937	2,269	1,937
Estimated money value of benefits-in-kind	211	33	211	33
Total directors' remuneration including benefits-in-kind	2,480	1,970	2,480	1,970

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

237

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Executive:				
- Salaries and other emoluments	957	816	957	816
- Bonus	293	277	293	277
- Defined contribution plans	212	186	212	186
- Estimated money value of benefits-in-kind	17	17	17	17
	1,479	1,296	1,479	1,296
Non-executive:				
- Fees	388	399	388	399
- Allowances	419	259	419	259
- Estimated money value of benefits-in-kind	194	16	194	16
	2,480	1,970	2,480	1,970

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

The amount of fee paid to the immediate holding company in respect of services rendered to the Company by directors are RM143,000 (2011: RM73,500).

8. DIRECTORS' REMUNERATION (CONT'D.)

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of directors	
	2012	2011
Executive director:		
RM850,001 - RM900,000	–	–
RM900,001 - RM950,000	–	–
RM950,001 - RM1,000,000	–	–
RM1,000,001 - RM1,050,000	–	–
RM1,050,001 - RM1,100,000	–	–
Above RM1,100,001	1	1

	Number of directors	
	2012	2011
Non-executive directors:		
Less than RM50,000	2	7
RM50,001 - RM100,000	8	5
RM100,001 - RM150,000	–	–
RM150,001 - RM200,000	–	1
RM200,001 - RM250,000	–	–
RM250,001 - RM300,000	–	–
RM300,001 - RM350,000	1	–

9. INCOME TAX AND ZAKAT

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Malaysian income tax and zakat:				
Current income tax	154,819	152,427	14,052	27,392
Under/(over) provision in prior years	3,658	(2,084)	1,025	(1,860)
	158,477	150,343	15,077	25,532
Deferred tax (Note 23):				
Relating to origination and reversal of temporary differences	32,960	25,836	10,915	15,292
Under/(over) provision of deferred tax liabilities in prior years	7,250	(6,971)	(76)	969
	40,210	18,865	10,839	16,261
	198,687	169,208	25,916	41,793
Income tax expenses	198,687	169,208	25,916	41,793
Zakat	9,798	3,767	2,391	3,360
Total income tax expense and zakat	208,485	172,975	28,307	45,153

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

239

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

9. INCOME TAX AND ZAKAT (CONT'D.)

Reconciliation between tax expense and accounting profit

The reconciliations between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2012 and 2011 are as follows:

	2012 RM'000	2011 RM'000
Group		
Profit/(loss) before tax and zakat from:		
Continuing operations	602,756	574,192
Discontinued operations (Note 10)	189	(54)
	602,945	574,138
Taxation at Malaysian statutory tax rate of 25% (2011: 25%)	150,736	143,535
Tax effects of share of results of associates	4,440	14,772
Income not subject to tax	(1,128)	(3,966)
Expenses not deductible for tax purposes	33,695	20,624
Utilisation of previously unrecognised unabsorbed capital allowances	(8)	(1,187)
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	44	4,485
Under/(over) provision of income tax in prior years	3,658	(2,084)
Under/(over) provision of deferred tax in prior years	7,250	(6,971)
Income tax expense for the year	198,687	169,208
Company		
Profit before tax and zakat	91,197	193,343
Taxation at Malaysian statutory tax rate of 25% (2011: 25%)	22,799	48,336
Expenses not deductible for tax purposes	13,310	4,475
Income not subject to tax	(11,142)	(11,592)
Utilisation of previously unrecognised unabsorbed capital allowances	–	(1,186)
Deferred tax assets not recognised in respect of current year's unabsorbed capital allowances	–	2,651
Under/(over) provision of income tax in prior years	1,025	(1,860)
(Over)/under provision of deferred tax in prior years	(76)	969
Income tax expense for the year	25,916	41,793

Current income tax is calculated at the statutory tax rate of 25% (2011: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

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

During the year, a subsidiary Airport Automotive Workshop Sdn Bhd (“AAW”) ceased operation and subsequently, on 16 January 2013, AAW commenced Members’ Voluntary Winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965.

As at 31 December 2012, the assets and liabilities of AAW have been presented on the consolidated statements of financial position as assets and liabilities held for disposal and results from AAW is presented separately on the statement of comprehensive income as discontinued operation.

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

	2012 RM'000	2011 RM'000
Revenue	8	17
Other income	181	–
Expenses	–	(71)
Profit/(loss) for the year from discontinued operation	189	(54)

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

	2012 RM'000
Asset	
Cash and cash equivalents	63
Assets of disposal group classified as held for disposal	63
Liability	
Trade and other payables	60
Liabilities of disposal group classified as held for disposal	60

Since AAW have discontinued its operations, the presentation to the results is classified as discontinued operation and the comparatives relating to AAW result is restated as required by FRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Prior year assets and liabilities held for disposal were in respect of Asia Pacific Auction Centre Sdn. Bhd. (“APAC”) and its subsidiaries which completed the liquidation during the year.

11. EARNINGS PER SHARE

(a) Basic

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

	Group	
	2012 RM'000	2011 RM'000
Profit from continuing operations attributable to ordinary equity holders of the Company	394,271	401,217
Profit/(loss) from discontinued operation attributable to ordinary equity holders of the Company	189	(54)
Profit attributable to ordinary equity holders of the Company	394,460	401,163

	Group	
	2012	2011
Weighted average number of ordinary shares in issue ('000)	1,186,257	1,100,000

	Group	
	2012 sen	2011 sen
Basic earnings per share for:		
Profit from continuing operations	33.24	36.47
Profit/(loss) from discontinued operations	0.02	-
Profit for the year	33.26	36.47

On 21 January 2013, the Company further increased its paid up share capital to RM1,217,088,046 by the issuance of 7,088,046 ordinary shares of RM1 each, at a total premium of RM26,438,000 arising from the Dividend Reinvestment Plan relating to electable portion (for those shareholders electing for the re-investment) of the interim dividend of 6.0%, on 1,210,000,000 ordinary shares, declared on 30 November 2012 for the financial year ended 31 December 2012 as disclosed in Note 38. Had this ordinary shares been issued as at 31 December 2012, the diluted earnings per share is 33.22 sen.

Other than the above, there were no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

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.

12. DIVIDENDS

	Dividends in respect of year		Dividends recognised in year	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Recognised during the year:				
Interim dividend for 2012: 6.0% on single tier on 1,210,000,000 ordinary shares (6.00 sen net per ordinary share)	72,600	–	72,600	–
Final dividend for 2011: on 1,210,000,000 ordinary shares				
– 12.85% less 25% taxation, (9.64 sen net per share)	–	116,640	116,640	–
– 0.3% on single tier (0.3 sen net per share)	–	3,630	3,630	–
Interim dividend for 2011: 8.0% less 25% taxation, on 1,100,000,000 ordinary shares (6.00 sen net per ordinary share)	–	66,000	–	66,000
Final dividend for 2010: 11.75% less 25% taxation, on 1,100,000,000 ordinary shares (8.81 sen net per ordinary share)	–	–	–	96,938
Proposed for approval at forthcoming Annual General Meeting (not recognised as liability as at 31 December 2012):				
Final dividend for 2012: on 1,217,088,000 ordinary shares 7.63% on single tier	92,864	–	–	–
	165,464	186,270	192,870	162,938

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2012, of 7.63% on 1,217,088,046 ordinary shares on single tier basis will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2013.

13. PROPERTY, PLANT AND EQUIPMENT

	Property and buildings RM'000	Hotel property RM'000	Safety equipment and motor vehicles RM'000	Office, communication and electronic equipment, furniture and fittings RM'000	Plant and machinery, crockery, glassware, cutlery and linen RM'000	Capital work-in- progress RM'000	Total RM'000
Group							
At 31 December 2012							
Cost							
At 1 January 2012	77,955	120,809	2,855	179,540	22,358	45,357	448,874
Additions	106	–	254	3,583	103	66,290	70,336
Disposals	–	(8,825)	–	(8,038)	–	–	(16,863)
Written off	–	(2,248)	–	(3,678)	(612)	–	(6,538)
Transfers	(846)	–	–	14,924	448	(14,526)	–
Reclassified from intangible assets	–	–	2,291	–	–	–	2,291
Assets held for disposal written off	–	–	–	(15)	–	–	(15)
At 31 December 2012	77,215	109,736	5,400	186,316	22,297	97,121	498,085
Accumulated depreciation and impairment							
At 1 January 2012	14,702	45,704	2,672	111,259	11,507	2,496	188,340
Charge for the year							
– Continuing operations (Note 7)	2,928	3,712	87	24,002	2,582	–	33,311
– Discontinued operation (Note 10)	–	–	–	1	–	–	1
Disposals	–	(2,883)	–	(7,925)	–	–	(10,808)
Written off	–	(721)	(3,677)	(609)	–	–	(5,007)
Reclassified from intangible assets	–	–	1,421	–	–	–	1,421
Assets held for disposal written off	–	–	–	(2)	–	–	(2)
At 31 December 2012	17,630	45,812	503	126,726	14,089	2,496	207,256
Net carrying amount	59,585	63,924	4,897	59,590	8,208	94,625	290,829

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Property and buildings RM'000	Hotel property RM'000	Safety equipment and motor vehicles RM'000	Office, communication and electronic equipment, furniture and fittings RM'000	Plant and machinery, crockery, glassware, cutlery and linen RM'000	Capital work-in- progress RM'000	Total RM'000
Group							
At 31 December 2011							
Cost							
At 1 January 2011	76,936	120,745	4,160	140,762	21,145	36,914	400,662
Additions	153	64	390	3,338	230	45,753	49,928
Disposals	-	-	(1,485)	-	-	-	(1,485)
Written off	-	-	(210)	(21)	-	-	(231)
Transfers	866	-	-	35,461	983	(37,310)	-
At 31 December 2011	77,955	120,809	2,855	179,540	22,358	45,357	448,874
Accumulated depreciation and impairment							
At 1 January 2011	11,952	41,884	4,160	98,542	8,913	2,496	167,947
Charge for the year							
- Continuing operations (Note 7)	2,750	3,820	207	12,736	2,594	-	22,107
- Discontinued operation (Note 10)	-	-	-	1	-	-	1
Disposals	-	-	(1,485)	-	-	-	(1,485)
Written off	-	-	(210)	(20)	-	-	(230)
At 31 December 2011	14,702	45,704	2,672	111,259	11,507	2,496	188,340
Net carrying amount	63,253	75,105	183	68,281	10,851	42,861	260,534

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Building RM'000	Motor vehicles RM'000	Office equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Company					
At 31 December 2012					
Cost					
At 1 January 2012	33,167	1,070	58,186	23,405	115,828
Additions	106	1,124	502	11,337	13,069
Transfers	(859)	–	8,130	(7,271)	–
At 31 December 2012	32,414	2,194	66,818	27,471	128,897
Accumulated depreciation					
At 1 January 2012	3,118	1,060	18,686	–	22,864
Charge for the year (Note 7)	1,333	58	15,754	–	17,145
At 31 December 2012	4,451	1,118	34,440	–	40,009
Net carrying amount	27,963	1,076	32,378	27,471	88,888
At 31 December 2011					
Cost					
At 1 January 2011	33,134	1,764	27,617	31,464	93,979
Additions	33	240	654	21,856	22,783
Disposal	–	(934)	–	–	(934)
Transfers	–	–	29,915	(29,915)	–
At 31 December 2011	33,167	1,070	58,186	23,405	115,828
Accumulated depreciation					
At 1 January 2011	1,740	1,666	13,229	–	16,635
Charge for the year (Note 7)	1,378	328	5,457	–	7,163
Disposal	–	(934)	–	–	(934)
At 31 December 2011	3,118	1,060	18,686	–	22,864
Net carrying amount	30,049	10	39,500	23,405	92,964

Included in the cost of property, plant and equipment of the Group and of the Company are cost of fully depreciated assets which are still in use amounting to RM101,374,000 (2011: RM108,078,000) and RM14,279,000 (2011: RM12,281,000) respectively.

14. PLANTATION DEVELOPMENT EXPENDITURE

	Group	
	2012 RM'000	2011 RM'000
Cost		
At 1 January	72,812	70,763
Additions	1,121	2,049
At 31 December	73,933	72,812
Accumulated amortisation		
At 1 January	20,950	18,395
Charge for the year (Note 7)	2,647	2,555
At 31 December	23,597	20,950
Net carrying amount	50,336	51,862

15. LAND USE RIGHTS

	Group	
	2012 RM'000	2011 RM'000
Net carrying amount		
At 1 January	7,760	7,910
Amortisation during the year (Note 7)	(121)	(150)
At 31 December	7,639	7,760
Analysed as:		
Short term land use rights	1,716	1,766
Long term land use rights	5,923	5,994
	7,639	7,760

16. INTANGIBLE ASSETS

	Concession rights RM'000	Terminal building, plant and infrastructures RM'000	Capital work-in- progress RM'000	Total RM'000
Group				
At 31 December 2012				
Cost				
At 1 January 2012	1,982,138	2,040,451	1,811,047	5,833,636
Additions	–	57,535	1,601,085	1,658,620
Disposals	–	(683)	–	(683)
Written off	–	(6,876)	(315)	(7,191)
Transfers	–	240,527	(240,527)	–
Reclassified to Property, plant and equipment	–	(2,291)	–	(2,291)
At 31 December 2012	1,982,138	2,328,663	3,171,290	7,482,091
Accumulated amortisation and impairment				
At 1 January 2012	263,483	842,923	–	1,106,406
Charge for the year (Note 7)	43,543	141,655	–	185,198
Disposals	–	(563)	–	(563)
Written off	–	(5,529)	–	(5,529)
Reclassified to Property, plant and equipment	–	(1,421)	–	(1,421)
At 31 December 2012	307,026	977,065	–	1,284,091
Net carrying amount	1,675,112	1,351,598	3,171,290	6,198,000
At 31 December 2011				
Cost				
At 1 January 2011	1,982,138	1,975,853	819,209	4,777,200
Additions	–	12,103	1,053,229	1,065,332
Disposals	–	(556)	–	(556)
Written off	–	(7,917)	(423)	(8,340)
Transfers	–	60,968	(60,968)	–
At 31 December 2011	1,982,138	2,040,451	1,811,047	5,833,636
Accumulated amortisation and impairment				
At 1 January 2011	223,349	741,320	–	964,669
Charge for the year (Note 7)	40,134	109,498	–	149,632
Disposals	–	(272)	–	(272)
Written off	–	(7,623)	–	(7,623)
At 31 December 2011	263,483	842,923	–	1,106,406
Net carrying amount	1,718,655	1,197,528	1,811,047	4,727,230

16. INTANGIBLE ASSETS (CONT'D.)

	Capital work-in- progress RM'000
Company	
At 31 December 2012	
Cost	
At 1 January 2012	1,542,458
Addition	1,360,256
Disposal	(47,294)
At 31 December 2012	2,855,420
Net carrying amount	2,855,420
At 31 December 2011	
Cost	
At 1 January 2011	735,266
Addition	807,192
At 31 December 2011	1,542,458
Net carrying amount	1,542,458

Capital work-in-progress comprises fair value of the consideration receivable for the construction service delivered during the stage of construction, including an average of 4.5% mark-up and 7.5% mark-up on the cost incurred for klia2 and expansion to Penang International Airport, respectively.

The capital work-in-progress are costs incurred to date in respect of the construction of klia2 amounting to RM2,855,420,000 (2011: RM1,495,788,000) and are not depreciated.

The Group's intangibles include borrowing costs arising from the borrowings under the Sukuk Program specifically for the purpose of the construction of klia2. Details of borrowings and securities are disclosed in Note 32. During the financial year, the net borrowing costs capitalised in capital work-in-progress amounted to RM110,928,000 (2011: RM90,038,000).

The additions in intangible assets were acquired by way of:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cash	1,595,315	1,027,089	1,306,517	776,551
Profit from construction contracts	63,305	38,243	53,739	30,641
Total additions	1,658,620	1,065,332	1,360,256	807,192

17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2012 RM'000	2011 RM'000
Unquoted shares at cost	1,777,266	1,787,719
Acquisition during the year	–	3
Less: Accumulated impairment losses	–	(10,456)
	1,777,266	1,777,266

Name of Company	Issued and Paid-up Capital RM	Effective Interest Held		Principal Activities
		2012 %	2011 %	
Malaysia Airports Sdn. Bhd. (230646-U)	360,113,847	100	100	Management, operations and maintenance of designated airports and provision of airport related services in Malaysia other than K.L. International Airport (“KLIA”).
Malaysia Airports (Sepang) Sdn. Bhd. (320480-D)	50,000,002	100	100	Management, operations, maintenance and future development of KLIA and Low Cost Carrier Terminal (“LCCT”) in Sepang and provision of airport related services.
Malaysia Airports (Niaga) Sdn. Bhd. (281310-V)	5,000,002	100	100	Operating duty free, non-duty free outlets and providing management services in respect of food and beverage outlets at airports.
Malaysia Airports Consultancy Services Sdn. Bhd. (375245-X)	500,002	100	100	Provision of maintenance and technical services in connection with the airport industry.
Malaysia Airports (Properties) Sdn. Bhd. (484656-H)	2	100	100	Provision of non passenger related services which involves property management and establishing fixed asset requirements.

17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Name of Company	Issued and Paid-up Capital RM	Effective Interest Held		Principal Activities
		2012 %	2011 %	
MAB Agriculture-Horticulture Sdn. Bhd. (467902-D)	10,000,000	100	100	Cultivation and selling of oil palm and other agricultural products, and engaging in horticulture activities.
K.L. Airport Hotel Sdn. Bhd. (330863-D)	10,000,000	100	100	Owner of the hotel known as Sama-Sama Hotel K.L. International Airport.
– preference shares	900,000			
Malaysia Airports Technologies Sdn. Bhd. (512262-H)	1,150,002	100	100	Operations and maintenance services and undertaking Information and Communication Technology business ventures.
Asia Pacific * Auction Centre Sdn. Bhd. (488190-H)	10,556,000	–	100	Liquidated during the year.
Cargo One * Restaurant & Lounge Sdn. Bhd. (528261-V)	2	–	100	Liquidated during the year.
Malaysia Airports @ (Mauritius) Pte Ltd	USD1,000	100	100	Investment holding.
MAHB (Mauritius) @ Pte Ltd	USD2	100	100	Investment holding management.
Asia Pacific * Auction Sales Sdn. Bhd. (523300-X)	2,000	–	100	Liquidated during the year.
Asia Pacific * Machinery Auctions Sdn. Bhd. (503068-D)	2,000	–	100	Liquidated during the year.
Malaysia Motor * Auctions Sdn. Bhd. (500189-H)	2,000	–	100	Liquidated during the year.
Beans Around * The World Coffee Shop Sdn. Bhd. (528250-P)	2	–	100	Liquidated during the year.
Eraman (Malaysia) Sdn. Bhd. (324329-K)	2	100	100	Dormant. Intended principal activity is general trading.

17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Name of Company	Issued and Paid-up Capital RM	Effective Interest Held		Principal Activities
		2012 %	2011 %	
Malaysia International Aerospace Centre Sdn. Bhd. (438244-H)	2	100	100	Planning, management and marketing for the development of Malaysia International Aerospace Centre at Sultan Abdul Aziz Shah Airport and other airports in Malaysia.
Airport Ventures Sdn. Bhd. (512527-U)	2	100	100	Investment holding.
Malaysia Airports MSC Sdn. Bhd. (516854-V)	500,000	100	100	Dormant. Intended principal activities are to provide internet services, development and incubation of electronic commerce, and to acquire, manage, lease, establish, equip, maintain and operate radio wireless, close circuit television and television telecast.
Malaysia Airports (Labuan) Pte Ltd (LL05298)	USD1,000	100	100	Investment holding management.
Urusan Teknologi Wawasan Sdn. Bhd. (459878-D)	750,000	100	100	Provision of mechanical, electrical and civil engineering services at KLIA in Sepang.
Airport Automotive Workshop Sdn. Bhd. (808167-P)	200,000	51 **	51 **	Operations of automotive vehicle workshop. The Company has ceased operations since April 2012.
Malaysia Airports Capital Berhad (906593-U)	2	100	100	Investment holding management.
Malaysia Airports Capital Labuan Pte Ltd (LL07679)	USD2	100	100	Investment holding management.

17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Name of Company	Issued and Paid-up Capital RM	Effective Interest Held		Principal Activities
		2012 %	2011 %	
Malaysia Airports Construction (Labuan) Private Limited (LL08348)	USD1,000	100	100	Investment holding management.
Malaysia Airports # Consultancy Services Gulf LLC	Qatari Riyal 200,000	49	–	Facilities Maintenance Services at airports.

* Subsidiaries liquidated during the year

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** 51% shareholding held through Urusan Teknologi Wawasan Sdn. Bhd. (459878-D)

The Company subscribed the shares of the newly incorporated subsidiary during the year

Acquisition of subsidiary:

- (a) On 1 October 2012, Malaysia Airports Consultancy Services Sdn. Bhd. (“MACS”), a wholly-owned subsidiary of the Group and Mr. Hamad Abdullah Al-Attayah had incorporated a limited liability company in Doha, Qatar under the name of Malaysia Airports Consultancy Services Gulf LLC (“MACS Gulf LLC”) for the purpose of undertaking activities in the areas of facilities maintenance services at airports, including the new Doha International Airport and any other activities. The issued share capital of MACS Gulf LLC is amounting to Qatari Riyal 200,000 (or the equivalent of approximately RM177,000), in which 49% is held by MACS and 51% by Mr. Hamad Abdullah Al-Attayah.

MACS Gulf LLC is considered as subsidiary as it meets the definition of a subsidiary under FRS127 para 3 as follows:-

Control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the parent owns half or less of the voting power of an entity when there is:

- (i) power over more than half of the voting rights by virtue of an agreement with other investors;
- (ii) power to govern the financial and operating policies of the entity under a statute or an agreement;
- (iii) power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body; or
- (iv) power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.

18. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Unquoted shares at cost:				
– outside Malaysia	183,096	155,172	161,582	133,658
– in Malaysia	600	600	–	–
	183,696	155,772	161,582	133,658
Share of post-acquisition reserve	(94,402)	(94,157)	–	–
Impairment of investment	(68,916)	–	–	–
	20,378	61,615	161,582	133,658
Analysed as:				
Unquoted shares at cost:				
At 1 January	155,772	136,154	133,658	135,554
Acquisition during the year	–	160	–	160
Additional contribution	27,924	19,458	27,924	19,458
Disposal of associate to a subsidiary	–	–	–	(21,514)
At 31 December	183,696	155,772	161,582	133,658
Share of post-acquisition reserve:				
At 1 January	(136,523)	(69,094)	–	–
Share of results	(17,505)	(59,764)	–	–
Share of other comprehensive income of associates	4,657	–	–	–
Dividend received	(2,400)	(7,665)	–	–
Share of post-acquisition reserve at 31 December	(151,771)	(136,523)	–	–
Additional investment (Note 33)	57,369	42,366	–	–
	(94,402)	(94,157)	–	–

Investment in associates with carrying amounts of RM171,000 (2011: RM174,000) are pledged to financial institutions for credit facilities granted to the associates.

Additional contribution is in respect of advances provided to a foreign associate as required under the funding arrangement with the shareholders of the associate and the lenders and may be converted as equity funding.

During the year, the Maldivian government declared the concession agreement with GMR Male International Airport Limited (“GMR Male”) which was awarded in 2010, as void. GMR Male is to operate, maintain, expand, rehabilitate and modernise the Ibrahim Nasir International Airport (“INIA”) for a period of 25 years which the Group has 23% interest.

18. INVESTMENTS IN ASSOCIATES (CONT'D.)

Further to the arbitration proceedings filed by the respective parties against the others, GMR Male seek inter alia, damages for repudiatory breach of the concession agreement. Pending the decision by the arbitration tribunal, the directors are of the opinion that provision for impairment on this investment ought to be made as at the reporting date.

The Group has not recognised further losses relating to GMR Male and Istanbul Sabiha Gokcen International Airport Investment Development and Operation Inc. ("SGIA") 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 GMR Male and SGIA. The Group's current year end cumulative share of unrecognised losses in the financial year was RM88.2 million (2011: RM Nil). 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 shall recognise the share of profits only after its share of the profits equals the share of losses not recognised.

Details of the associates are as follows:

Name of Associate	Country of Incorporation	Issued and Paid-up Capital	Effective Interest Held		Financial Year End	Principal Activities
			2012 %	2011 %		
Held by the Company:						
Istanbul Sabiha Gokcen International Airport Investment Development and Operation Inc. ("SGIA")	Turkey	€146,840,000	20	20	31 December	Operation, management and development and provision of airport related services.
LGM Airport Operations Trade and Tourism Inc.	Turkey	€209,037	20	20	31 December	Provision of management services in respect of transportation, parking, food and beverages, cleaning at the airport and construction of hotel and car park within the airport.
Held through a subsidiary:						
GMR Male International Airport Limited ("GMR Male")	Republic of Maldives	USD30,050,094	23	23	31 December	Operation, management and development and provision of airport related services.

18. INVESTMENTS IN ASSOCIATES (CONT'D.)

Details of the associates are as follows: (cont'd.)

Name of Associate	Country of Incorporation	Issued and Paid-up Capital	Effective Interest Held		Financial Year End	Principal Activities
			2012 %	2011 %		
Kuala Lumpur Aviation Fuelling System Sdn. Bhd. (KAF)*	Malaysia	RM3,000,000	20	20	31 March	Development, management and operations of aviation fuelling system at KLIA.

* KAF has a financial year end of 31 March 2012 to conform with its holding company's financial year end. The financial statements of the associate for the 9 months interim period ended 31 December 2012 have been used for the purpose of applying the equity method of accounting.

The summarised financial statements of the associates are as follows:

	Group	
	2012 RM'000	2011 RM'000
Assets and liabilities		
Current assets	907,265	555,866
Non-current assets	5,968,221	6,049,986
Total assets	6,875,486	6,605,852
Current liabilities	803,118	827,641
Non-current liabilities	6,588,954	6,098,784
Total liabilities	7,392,072	6,926,425
Results		
Revenue	1,962,337	2,006,381
Loss for the year	(274,656)	(309,684)

19. INVESTMENT IN JOINTLY CONTROLLED ENTITIES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Unquoted shares at cost:				
– in Malaysia	42,900	21,900	42,900	21,900
Share of post-acquisition reserve	426	677	–	–
	43,326	22,577	42,900	21,900
Analysed as:				
Unquoted shares at cost:				
At 1 January	21,900	100	21,900	–
Acquisition during the year	21,000	21,900	21,000	21,900
Disposal during the year	–	(100)	–	–
At 31 December	42,900	21,900	42,900	21,900
Share of post-acquisition reserve:				
At 1 January	677	–	–	–
Share of results	(251)	677	–	–
At 31 December	426	677	–	–

Details of the jointly controlled entities are as follows:

Name of Entity	Country of Incorporation	Issued and Paid-up Capital	Effective Interest Held		Financial Year End	Principal Activities
			2012 %	2011 %		
Held through a subsidiary:						
Segi Astana Sdn. Bhd. (SASB)*	Malaysia	RM70,001,000	30	30	31 December	Development, management and operations of property.
Airport Cooling Energy Supply Sdn. Bhd. (ACES)**	Malaysia	RM19,040,000	23	23	31 August	Development, management and operations of chilled water plant.

19. INVESTMENT IN JOINTLY CONTROLLED ENTITIES (CONT'D.)

Details of the jointly controlled entities are as follows: (cont'd.)

Name of Entity	Country of Incorporation	Issued and Paid-up Capital	Effective Interest Held		Financial Year End	Principal Activities
			2012 %	2011 %		
Held through a subsidiary: (cont'd.)						
– Redeemable Preference Shares		RM 76,160,000				

* On 22 September 2011, the Company had entered into a Joint Venture Agreement with WCT Land Sdn Bhd to provide ancillary and complementary support services and facilities to the klia2 Terminal Building. The consideration in respect of this investment was RM21,000,300 out of which RM21,000,000 was acquired during the year.

** On 27 October 2011, the Company had entered into a Joint Venture Agreement with TNB Engineering Corporation Berhad and incorporated ACES for the operation and maintenance of a generation plant for the supply of Chilled Water and power at the klia2. The consideration in respect of this investment was RM21,900,000.

The summarised financial statements of the jointly controlled entities are as follows:

	Group	
	2012 RM'000	2011 RM'000
Assets and liabilities		
Current assets	111,973	266,974
Non-current assets	841,006	365,592
Total assets	952,979	632,566
Current liabilities	109,972	205,543
Non-current liabilities	674,356	326,545
Total liabilities	784,328	532,088
Results		
Revenue	–	–
(Loss)/profit for the year	(899)	2,257

ACES has a financial year end of 31 August 2012. The financial statements of ACES for the 4 months interim period ended 31 December 2012 have been used for the purpose of applying the equity method of accounting.

20. AVAILABLE-FOR-SALE INVESTMENTS (“AFS”)

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Bonds and medium term notes in Malaysia at fair value	5,523	11,273	–	–
Quoted unit trust in Malaysia	74,276	7,174	37,910	–
AFS at fair value	79,799	18,447	37,910	–
* Unquoted shares at cost:				
– in Malaysia	17,475	17,253	–	2,000
– outside Malaysia	205,905	213,979	–	–
AFS at cost	223,380	231,232	–	2,000
Total other investments	303,179	249,679	37,910	2,000

Movement in available-for-sale investments are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
At 1 January	249,679	242,114	2,000	2,005
Additions	70,933	3,180	35,600	–
Fair value adjustment	(333)	740	310	–
Amortisation of premium on investments	(55)	(84)	–	–
Disposals	(8,968)	(3,000)	–	(5)
Foreign currency translation	(8,077)	6,729	–	–
At 31 December	303,179	249,679	37,910	2,000

* The fair value information has not been disclosed for these financial instruments as their fair value cannot be measured reliably due to the lack of quoted market price in an active market and assumption required for valuing these financial instruments.

Unquoted shares of RM32,629,000 (2011: RM33,909,000) for the Group are pledged as security in respect of certain agreement entered into by the Group.

21. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current				
Trade receivables				
Third parties	274,394	261,257	–	–
Due from GoM	244,015	438,861	–	–
Accrued revenue	56,964	68,606	–	–
	575,373	768,724	–	–
Less: Allowance for doubtful debts				
Third parties	(50,679)	(54,570)	–	–
Trade receivables, net	524,694	714,154	–	–
Other receivables				
Amounts due from subsidiaries	–	–	509,073	892,930
Staff loans (Note 22)	3,525	3,539	–	–
Deposits	7,499	4,347	987	987
Tax recoverable	7,014	15,906	4,511	15,374
Prepayments	65,545	1,379	59,932	72
Sundry receivables	43,451	55,166	12,751	20,802
	127,034	80,337	587,254	930,165
Less: Allowance for doubtful debts	(11,488)	(9,473)	(1,791)	(8)
Other receivables, net	115,546	70,864	585,463	930,157
	640,240	785,018	585,463	930,157
Non-current				
Trade receivables				
Third parties	1,250	5,501	–	–
Other receivables				
Due from GoM	353,748	342,553	49,204	49,204
	354,998	348,054	49,204	49,204
Total trade and other receivables (current and non-current)	995,238	1,133,072	634,667	979,361
Add: Cash and bank balances (Note 25)	774,166	778,343	489,959	500,553
Less: Tax recoverable and prepayments	(72,559)	(17,285)	(64,443)	(15,446)
Total loans and receivables	1,696,845	1,894,130	1,060,183	1,464,468

21. TRADE AND OTHER RECEIVABLES (CONT'D.)

Ageing analysis of trade receivables

The ageing analysis of the Group's total trade receivables (current and non-current), but excluding accrued revenue is as follows:

	Group	
	2012 RM'000	2011 RM'000
Neither past due nor impaired	342,257	545,607
1 to 30 days past due not impaired	66,984	42,610
31 to 60 days past due not impaired	8,495	11,532
61 to 90 days past due not impaired	14,145	12,843
91 to 120 days past due not impaired	4,372	7,717
More than 121 days past due not impaired	11,496	6,868
	105,492	81,570
Impaired	71,910	78,442
	519,659	705,619

Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. More than 82% (2011: 71%) of the Group's trade receivables arise from customers with more than 5 years of experience with the Group and losses have occurred infrequently.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance for doubtful debts used to record the doubtful debts are as follows:

	Individually impaired	
	2012 RM'000	2011 RM'000
Group		
Trade receivables		
– nominal amounts	71,910	78,442
Less: Allowance for doubtful debts	(50,679)	(54,570)
	21,231	23,872

21. TRADE AND OTHER RECEIVABLES (CONT'D.)

Receivables that are impaired (cont'd.)

- (a) Receivables amounting to RM16,847,000 (2011: RM13,885,000) are in respect of certain debtors who have the obligations to repay their debts but are prolonged as settlement of the outstanding balances pending approvals. Historically, the nature for these type of debts will eventually be settled, including the possible set off against any future liabilities of the Group with the same debtors. Accordingly, no further allowance for doubtful debt is necessary.
- (b) Receivables amounting to RM4,544,000 (2011: RM10,053,000) are expected to be settled by installment arrangement plan.

Movement in allowance for doubtful debts:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Trade				
At 1 January	54,570	60,228	–	–
Net writeback of doubtful debts	(3,891)	(5,658)	–	–
At 31 December	50,679	54,570	–	–
Other receivables				
At 1 January	9,473	1,761	8	8
Net allowance for doubtful debts	2,015	7,712	1,783	–
At 31 December	11,488	9,473	1,791	8

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(a) Credit risk

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management and bears interest at 1% per month on overdue balances. As at reporting date, the concentration of credit risk in the form of outstanding balances is mainly due to eight (2011: seven) customers representing approximately 54% (2011: 55%) of the total trade receivables.

(b) Amounts due from subsidiaries (Current)

Amounts due from subsidiaries are non-interest bearing and are repayable on demand. All related parties receivables are unsecured and are to be settled in cash. Included in amounts due from subsidiaries was RM42,390,000 (2011: RM507,890,000) paid by the Company to GoM on behalf of its subsidiary in prior years.

21. TRADE AND OTHER RECEIVABLES (CONT'D.)

(c) Trade receivables (Non-current)

The Group had previously negotiated with several debtors to extend the settlement of outstanding debts by entering into debts settlement agreements. The non-current amounts consist of overdue balances of these debtors with the term of settlements ranging from 1 to 6 years (2011: 1 to 6 years). The amounts due are non-interest bearing, unsecured and are to be repaid by cash settlement.

(d) Other receivables (Non-current)

Amount due from GoM is further discussed in Note 21(f).

(e) Prepayments

Prepayments amounting to RM59,699,000 (2011: RM Nil) are in respect of contractual advanced payments to supplier as required in the various contracts relating to klia2.

(f) Due from GoM

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current				
Trade receivables				
MARCS (Note 2.4(v)(iv))	117,166	253,652	–	–
Landing rebates	126,849	185,209	–	–
	244,015	438,861	–	–
Non-current				
Other receivables				
Debts assumed from former subsidiary	121,200	121,200	49,204	49,204
Receivable on call option (Note 2.5(a)(ii))	232,548	221,353	–	–
	353,748	342,553	49,204	49,204
Total amount due from GoM	597,763	781,414	49,204	49,204

Other information on financial risks of other receivables are disclosed in Note 40.

22. STAFF LOANS

	Group	
	2012 RM'000	2011 RM'000
Staff loans	38,855	38,067
Less: Current (Note 21)	(3,525)	(3,539)
Non-current portion	35,330	34,528
Analysed as:		
Current	3,525	3,539
Non-current:		
Later than 1 year but not later than 2 years	3,288	3,334
Later than 2 years but not later than 5 years	8,369	8,444
Later than 5 years	23,673	22,750
	35,330	34,528
	38,855	38,067

The staff loans attract interest rate at 4% (2011: 4%) per annum.

The Group has assessed the non-current portion and considered that the fair value amounts to approximate the carrying amounts.

23. DEFERRED TAX (ASSETS)/LIABILITIES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
At 1 January	57,023	38,158	24,319	8,058
Recognised in income statements (Note 9)	40,210	18,865	10,839	16,261
At 31 December	97,233	57,023	35,158	24,319
Presented in the statements of financial position as follows:				
Deferred tax assets	(22,216)	(21,071)	–	–
Deferred tax liabilities	119,449	78,094	35,158	24,319
	97,233	57,023	35,158	24,319

23. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D.)

The component and movement of deferred tax liabilities and assets during the financial year are as follows:

Deferred tax liabilities of the Group:

	Property, plant and equipment and intangibles RM'000
At 1 January 2012	122,049
Recognised in the income statement	38,162
At 31 December 2012	160,211
Less: Offset against deferred tax assets	(40,762)
	119,449
At 1 January 2011	103,904
Recognised in the income statement	18,145
At 31 December 2011	122,049
Less: Offset against deferred tax assets	(43,955)
	78,094

23. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D.)

Deferred tax assets of the Group:

	Unutilised tax losses and unabsorbed capital allowances RM'000	Receivables RM'000	Retirement benefits RM'000	Payables RM'000	Total RM'000
At 1 January 2012	(10)	(35,114)	(1,641)	(28,261)	(65,026)
Recognised in the income statement	(3,856)	2,328	4,196	(620)	2,048
At 31 December 2012	(3,866)	(32,786)	2,555	(28,881)	(62,978)
Less: Offset against deferred tax liabilities					40,762
					(22,216)
At 1 January 2011	(10)	(37,536)	(13,794)	(14,406)	(65,746)
Recognised in the income statement	-	2,422	12,153	(13,855)	720
At 31 December 2011	(10)	(35,114)	(1,641)	(28,261)	(65,026)
Less: Offset against deferred tax liabilities					43,955
					(21,071)

Deferred tax liabilities of the Company:

	Property, plant and equipment and intangibles RM'000
At 1 January 2012	27,134
Recognised in the income statement	17,172
At 31 December 2012	44,306
At 1 January 2011	10,848
Recognised in the income statement	16,286
At 31 December 2011	27,134

23. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D.)

Deferred tax assets of the Company:

	Retirement benefits RM'000	Payables RM'000	Total RM'000
At 1 January 2012	(756)	(2,059)	(2,815)
Recognised in the income statement	756	(7,089)	(6,333)
At 31 December 2012	–	(9,148)	(9,148)
At 1 January 2011	(742)	(2,048)	(2,790)
Recognised in the income statement	(14)	(11)	(25)
At 31 December 2011	(756)	(2,059)	(2,815)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Unutilised tax losses	3,880	3,905	–	–
Unabsorbed capital allowances	97	106	–	–
Other deductible temporary differences	6,418	6,240	–	–
	10,395	10,251	–	–

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the respective subsidiaries of the Group are subject to no substantial changes in shareholdings of those subsidiaries under Section 44(5A) and (5B) of Income Tax Act, 1967.

Deferred tax assets have not been recognised where it is not probable that future taxable profits will be available against which the company or subsidiaries can utilise the benefits.

24. INVENTORIES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cost				
Spares and consumables	17,088	15,456	40	40
Merchandise goods	81,342	62,592	–	–
Food and beverages	667	475	–	–
	99,097	78,523	40	40

The cost of inventories relating to merchandise goods, food and beverages recognised as an expense during the financial year amounted to RM281,927,000 (2011: RM243,171,000).

25. CASH AND CASH EQUIVALENTS

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cash on hand and at banks	150,562	90,151	56,193	17,496
Deposits with licensed banks	36,506	127,900	401	–
Money on call with licensed banks	587,098	560,292	433,365	483,057
Cash and bank balances	774,166	778,343	489,959	500,553

Other information on financial risks of cash and cash equivalents are disclosed in Note 40.

26. SHARE CAPITAL

	Number of shares of RM1 each		Amount	
	2012	2011	2012 RM	2011 RM
Authorised:				
Special Rights Redeemable Preference Share of RM1 each	1	1	1	1
Ordinary shares of RM1 each	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
	2,000,000,001	2,000,000,001	2,000,000,001	2,000,000,001

26. SHARE CAPITAL (CONT'D.)

Issued and fully paid:

	Number of shares of RM1 each	Amount RM
At 1 January 2011		
Special Rights Redeemable Preference Share of RM1 each	1	1
Ordinary shares of RM1 each	1,100,000,000	1,100,000,000
At 31 December 2011	1,100,000,001	1,100,000,001
Issuance of new shares via private placement	110,000,000	110,000,000
At 31 December 2012	1,210,000,001	1,210,000,001

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Ordinary shares issued for cash

During the financial year, the Company issued 110,000,000 new ordinary shares of RM1 each through a private placement at an issue price of RM5.60 per ordinary share for cash, for the purpose of partly financing the capital expenditure for klia2 project. The share premium of RM506,015,915 arising from the issuance of ordinary shares and the share issue cost of RM8,346,000 have been included in the share premium account. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

Special Rights Redeemable Preference Share

- (a) The Special Rights Redeemable Preference Share ("Special Share") of RM1 enables the GoM, through the Minister of Finance, to ensure that certain major decisions affecting the operations of the Company are consistent with GoM policies. The Special Shareholder, which may only be the GoM or any representative or person acting on its behalf, is entitled to receive notices of meetings but not entitled to vote at such meetings of the Company. However, the Special Shareholder is entitled to attend and speak at such meetings.

The Special Shareholder has the right to appoint any person, but not more than six at any time, to be directors.

- (b) The Special Shareholder has the right to require the Company to redeem the Special Share at par at any time by serving written notice upon the Company and delivering the relevant share certificate.
- (c) The Special Shareholder shall be entitled to repayment of the capital paid-up on the Special Share in priority to any repayment of capital to any other member.
- (d) The Special Shareholder does not have any right to participate in the capital or profits of the Company.
- (e) Certain matters which vary the rights attached to the Special Share can only be effective with the written consent of the Special Shareholder, in particular matters relating to the creation and issue of additional shares which carry different voting rights, the dissolution of the Company, substantial disposal of assets, amalgamations, merger and takeover.

27. RETAINED EARNINGS

Prior to the year of assessment 2008, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 balance of Malaysian Income Tax Act, 1967 (Section 108 balance) and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the Section 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company has not elected for the irrevocable option to disregard the Section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the Section 108 balance as at 31 December 2012 and 2011 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 December 2012, the Company has fully utilised the credit in the Section 108 balance and can distribute its entire retained earnings under the single-tier system without any restrictions.

28. FAIR VALUE ADJUSTMENT RESERVE

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed of or impaired.

29. OTHER RESERVE AND FOREX CURRENCY TRANSLATION RESERVES

Other reserve represents the discount on acquisition of minority interest.

Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

30. RETIREMENT BENEFITS

The Group operated an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for all qualifying staff who have been confirmed in service whereby only employees who have earned in return for their service up to 31 December 2004 shall continue to benefit from the Scheme but limited to their qualifying number of years employed up to and equivalent factoring as at 31 December 2012.

The Group's obligations under the Scheme was determined based on the latest actuarial valuation by an independent valuer carried out on 24 December 2011. The existing employees as well as new employees who have earned in return for their service subsequent to 31 December 2004 are not eligible for the Scheme but shall be compensated based on the Scheme in the defined contribution plans in Note 2.4(s)(ii). The value of retirement benefits shall be paid on the attainment of retirement age of 55.

The Group's obligations under the Scheme continued to be determined based on triennial actuarial valuation where the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted using the Projected Unit Credit Method in order to determine its present value.

30. RETIREMENT BENEFITS (CONT'D.)

In previous financial year, the Group entered a collective agreement with the non-executive staff of the Group where the non-executive staff have accepted the terms of the collective agreement including the proposed year which the entitlements will be credited in the employees' EPF. The retirement benefits for employees were revised where the employees were entitled for the Scheme will have the amounts due to them and be credited to their Employee Provident Fund accounts ("EPF") in addition to the Group's defined contribution plans. During the year, the Group completed the arrangement with the other executive staff. Accordingly the remaining amounts previously set aside for retirement benefits were credited to the employees' EPF account.

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current	–	565	–	400
Non-current	–	5,537	–	1,051
	–	6,102	–	1,451

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Present value of unfunded defined benefit obligations	–	6,102	–	1,451
Analysed as:				
Current (Note 33)	–	565	–	400
Non-current:				
Later than 1 year but not later than 2 years	–	404	–	94
Later than 2 years but not later than 5 years	–	1,674	–	549
Later than 5 years	–	3,459	–	408
	–	5,537	–	1,051
	–	6,102	–	1,451

30. RETIREMENT BENEFITS (CONT'D.)

The amount recognised in the income statements comprises:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Interest cost (Note 5)	764	320	25	84

Movements in the net liability in the current year were as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
At 1 January	6,102	55,310	1,451	2,967
Reclassification to staff benefits payable	(5,721)	(42,933)	(1,416)	(744)
Recognised in income statements	764	320	25	84
Contributions paid	(1,145)	(6,595)	(60)	(856)
At 31 December	–	6,102	–	1,451

Principal actuarial assumptions used:

	Group		Company	
	2012 %	2011 %	2012 %	2011 %
(i) Discount rate	–	5.5	–	5.5

The rate used to discount post-employment benefit obligations is determined by reference to the market yields at the reporting date on high quality corporate bonds.

- (ii) There is no projection for future salary increases as this Scheme is a frozen scheme.
- (iii) The mortality and disability rates are based on published statistics.

31. OTHER FINANCIAL LIABILITY

	Group	
	2012 RM'000	2011 RM'000
At 1 January	183,486	177,716
Foreign currency translation	(6,924)	5,770
At 31 December	176,562	183,486

Other financial liability is in respect of unsecured debentures issued by a foreign subsidiary comprising 57,700,000 (2011: 57,700,000) fully paid debenture units of USD1 each. Interest on the debentures are payable upon the realisation of dividends from other investment held by the foreign subsidiary. The debentures have a 10-year period and the debenture holders have the rights to redeem the debentures at the nominal value and the debentures may be converted to ordinary shares issued by the foreign subsidiary.

32. LOANS AND BORROWINGS

	Maturity	Group		Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Non-Current					
Unsecured:					
Revolving loan					
4.55% p.a. fixed rate RM note	2020	1,000,000	1,000,000	1,000,000	1,000,000
4.68% p.a. fixed rate RM note	2022	1,500,000	1,500,000	1,500,000	1,500,000
4.15% p.a. fixed rate RM note	2024	600,000	–	600,000	–
		3,100,000	2,500,000	3,100,000	2,500,000
Total loans and borrowings					
4.55% p.a. fixed rate RM note		1,000,000	1,000,000	1,000,000	1,000,000
4.68% p.a. fixed rate RM note		1,500,000	1,500,000	1,500,000	1,500,000
4.15% p.a. fixed rate RM note		600,000	–	600,000	–
		3,100,000	2,500,000	3,100,000	2,500,000

32. LOANS AND BORROWINGS (CONT'D.)

The remaining maturities of the loans and borrowings as at 31 December 2012 are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
On demand or within one year	–	–	–	–
More than 1 year and less than 2 years	–	–	–	–
More than 2 years and less than 5 years	–	–	–	–
5 years or more	3,100,000	2,500,000	3,100,000	2,500,000
	3,100,000	2,500,000	3,100,000	2,500,000

4.55%, 4.68% and 4.15% p.a fixed rate RM notes

These notes with total face value of RM3,100,000 are unsecured. Details of the notes are as follows:

Coupon rate	Issue size (RM'000)	Issue date	Maturity date
4.55%	1,000,000	30.08.2011	28.08.2020
4.68%	1,500,000	17.12.2011	16.12.2022
4.15%	600,000	28.12.2012	27.12.2024

Malaysia Airports Capital Berhad (“MACB” or the “Issuer”), a wholly owned subsidiary of MAHB as disclosed in Note 17, is a special purpose vehicle and its principal activity is to undertake the issuance of Ringgit-denominated Islamic Commercial Papers (“ICPs”) and Islamic Medium Term Notes (“IMTNs”) pursuant to an Islamic Commercial Paper Programme (“ICP Programme”) and an Islamic Medium Term Notes Programme (“IMTN Programme”), respectively in accordance with Shariah principles (collectively referred to as the “Sukuk Programmes”).

The Sukuk Programmes have a combined aggregate nominal value of up to RM3.1 billion (with a sub-limit of RM1.0 billion in nominal value for the ICP Programme).

Proceeds raised from the Sukuk Programmes will be utilised by MAHB to part finance the construction of a new terminal (“klia2”) and/or to refinance MAHB’s existing borrowings/financing which were utilised for Shariah-compliant purposes and/or for MAHB’s Shariah-compliant general corporate purposes.

The Sukuk Programmes have been accorded a short-term rating of P1 and long-term rating of AAA (with stable outlook) respectively by RAM Rating Services Berhad. The Sukuk Programmes are issued under the Shariah Principle of Ijarah and Murabahah utilising Commodity (“Commodity Murabahah”).

32. LOANS AND BORROWINGS (CONT'D.)

On 30 August 2010, MACB completed the issuance of the first tranche comprising RM1.0 billion nominal value IMTNs under the Shariah principle of Ijarah pursuant to the IMTN Programme. The IMTNs issued under the first tranche have a tenure of ten (10) years from the date of issuance with a periodic distribution (coupon) rate of 4.55% per annum.

On 17 December 2010, MACB completed the issuance of the second tranche comprising RM1.5 billion nominal value IMTNs pursuant to the IMTN Programme based on the Shariah Principle of Commodity Murabahah. The IMTNs issued under the second tranche have a tenure of twelve (12) years from the date of issuance with a periodic distribution (coupon) rate of 4.68% per annum.

On 28 December 2012, MACB completed the issuance of the final tranche comprising RM0.6 billion nominal value IMTNs pursuant to the IMTN Programme based on the Shariah Principle of Commodity Murabahah. The IMTNs issued under the final tranche have a tenure of twelve (12) years from the date of issuance with a periodic distribution (coupon) rate of 4.15% per annum.

The terms of the Sukuk Programmes contain various covenants including the following:

MAHB shall maintain a Debt to Equity Ratio ("D:E Ratio") not exceeding 1.25 times throughout the tenure of the Sukuk Programmes. The D:E Ratio is the ratio of indebtedness of the Group represented by:

- (i) the aggregate face value of all outstanding ICPs, and all outstanding principal amount payable under the IMTNs; and
- (ii) all other indebtedness of the Company for borrowed monies (be it actual or contingent) for principal only, hire purchase obligations, finance lease obligations, fair value of financial derivatives in connection with borrowed monies recognised by the Company in its audited consolidated financial statements and other contingent liabilities of the Company calculated in accordance with the applicable accounting standards; but excluding any inter-company loans which are subordinated to the Sukuk,

to the equity of the Group including, if any, preference equity, subordinated shareholders' advances/loans and retained earnings/losses less goodwill (if any).

The D:E Ratio shall be calculated on a yearly and half yearly basis and as and when such calculations are required to be made under the terms of the transaction documents during the tenor of the Sukuk Programmes. In the case of D:E Ratio calculated on a yearly basis, such calculations shall be based on the latest audited consolidated financial statements of the Company and in the case of D:E Ratio calculated at any other times, the calculations shall be based on the latest consolidated management accounts of the Company.

Other information on financial risks of borrowings are disclosed in Note 40.

33. TRADE AND OTHER PAYABLES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current				
Trade payables				
Third parties	142,847	182,930	–	–
Other payables				
Amounts due to subsidiaries	–	–	13,319	197,935
Accruals	143,038	116,694	81,993	60,626
Provisions for liabilities	21,588	18,939	3,742	2,133
Sundry payables	261,054	260,900	90,098	50,909
Due to GoM	26,743	116,526	–	–
Deferred income	61,177	80,924	–	–
Dividend payable	72,651	191	72,651	191
Deposits	58,570	49,144	22,174	21,143
Retirement benefits (Note 30)	–	565	–	400
Concession liabilities (Note 33(e))	14,727	14,581	–	–
	659,548	658,464	283,977	333,337
	802,395	841,394	283,977	333,337
Non-current				
Other payables				
Deferred income	38,621	21,770	–	–
Provision for additional investment relating to an associate (Note 18)	57,369	42,366	–	–
Concession liabilities (Note 33(e))	154,905	170,285	–	–
	250,895	234,421	–	–
Total trade and other payables (current and non-current)	1,053,290	1,075,815	283,977	333,337
Add: Loans and borrowings (Note 32)	3,100,000	2,500,000	3,100,000	2,500,000
Less: – Provisions for liabilities	(21,588)	(18,939)	(3,742)	(2,133)
– Deferred income	(99,798)	(102,694)	–	–
– Provision for additional investment relating to an associate	(57,369)	(42,366)	–	–
– Retirement benefits	–	(565)	–	(400)
Total financial liabilities carried at amortised cost	3,974,535	3,411,251	3,380,235	2,830,804

33. TRADE AND OTHER PAYABLES (CONT'D.)

Movements of provisions for liabilities during the year is as follows:

	Short term accumulating compensated absences RM'000	Assessment fees RM'000	Total RM'000
Group			
At 31 December 2012			
At 1 January 2012	11,424	7,515	18,939
Additional provision during the year	2,505	3,475	5,980
Writeback of provision	(271)	–	(271)
Utilised during the year	(14)	(3,046)	(3,060)
At 31 December 2012	13,644	7,944	21,588
At 31 December 2011			
At 1 January 2011	10,536	6,985	17,521
Additional provision during the year	4,873	4,069	8,942
Writeback of provision	(511)	–	(511)
Utilised during the year	(3,474)	(3,539)	(7,013)
At 31 December 2011	11,424	7,515	18,939
Company			
At 31 December 2012			
At 1 January 2012			2,133
Provision during the year			1,623
Utilised during the year			(14)
At 31 December 2012			3,742
At 31 December 2011			
At 1 January 2011			1,981
Provision during the year			152
Utilised during the year			–
At 31 December 2011			2,133

33. TRADE AND OTHER PAYABLES (CONT'D.)

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 (2011: 30 to 90) days.

(b) Amounts due to subsidiaries

Amounts due to all related parties are non-interest bearing and are repayable on demand. The amounts are unsecured and are to be settled in cash.

(c) Due to GoM

Amount due to GoM is in respect of User Fee payable to the GoM and is unsecured and non-interest bearing. The Group pays the GoM on a quarterly basis amount equal to half the total amount calculated as the User Fee based on revenue generated from activities carried out at KLIA and other airports until the amount is fully settled.

(d) Deferred income

Deferred income is analysed as follows:

	Group	
	2012 RM'000	2011 RM'000
Analysed as:		
Current	61,177	80,924
Non-current:		
Later than 1 year but not later than 2 years	2,346	1,074
Later than 2 years but not later than 5 years	7,039	3,264
Later than 5 years	29,236	17,432
	38,621	21,770
	99,798	102,694

Deferred income is in respect of customer loyalty programme on airline incentives and deferred lease rental from commercial activities.

33. TRADE AND OTHER PAYABLES (CONT'D.)

(e) Concession liabilities

Concession liabilities are in respect of lease rental payable to the GoM for all airports managed by the Group and in respect of an Airport Facility Agreement (“AFA”) as disclosed in Note 2.4 (y) where the arrangement with a service provider in supplying chilled water utility contains a lease arrangement and the fulfillment of the arrangement is dependent on a specified asset pursuant to an operating agreement upon the adoption of IC 12.

Concession liabilities are analysed as follows:

	← Group →			
	Lease rental payable to GoM		Airport Facility Arrangement	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Analysed as:				
Current	1,506	2,066	13,221	12,515
Non-current:				
Later than 1 year but not later than 2 years	2,258	2,160	13,967	13,221
Later than 2 years but not later than 5 years	7,410	7,087	46,807	44,308
Later than 5 years	67,068	69,649	17,395	33,860
Total minimum lease payment	76,736	78,896	78,169	91,389
	78,242	80,962	91,390	103,904

	Group	
	2012 RM'000	2011 RM'000
Current (Note 33)	14,727	14,581
Non-current (Note 33)	154,905	170,285
Total concession liabilities	169,632	184,866

The AFA obligation is arrived at after discounting the future estimated finance charge of RM16,115,000 (2011: RM21,517,000).

Other information on financial risks of other payables are disclosed in Note 40.

34. LEASE ARRANGEMENTS

(a) Operating lease

The Group has entered into non-cancellable operating lease agreements for the use of certain plant and equipment. These leases have an average life of between 3 and 5 years with no renewal or purchase option included in the contracts. There are no restrictions placed upon the Group by entering into these leases.

The Group also leases various plant and machinery under cancellable operating lease agreements. The Group is required to give a period of between one to three months notice for the termination of those agreements.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the reporting date but not recognised as liabilities are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Future minimum rental payments:				
Not later than 1 year	12,946	13,951	7,474	1,335
Later than 1 year and not later than 5 years	22,702	20,509	12,206	1,048
	35,648	34,460	19,680	2,383

35. COMMITMENTS

	Due year 2013 RM'000	Due year 2014 to 2017 RM'000	Due year 2018 to 2066 RM'000	Total RM'000
31 December 2012				
Group				
(i) Approved and contracted for:				
Lease rental payable to GoM other than within the operating agreements ^(a)	–	–	66,063	66,063
Capital expenditure	1,476,269	–	–	1,476,269
	1,476,269	–	66,063	1,542,332

35. COMMITMENTS (CONT'D.)

	Due year 2013 RM'000	Due year 2014 to 2017 RM'000	Due year 2018 to 2066 RM'000	Total RM'000
31 December 2012 (cont'd.)				
Group (cont'd.)				
(ii) Approved but not contracted for:				
Capital expenditure	837,917	206,485	–	1,044,402
(iii) Other Investments				
Investment in Istanbul Sabiha Gokcen International Airport ^(b)	–	116,433	–	116,433
Investment in Segi Astana Sdn. Bhd. ^(c)	10,818	–	–	10,818
	10,818	116,433	–	127,251
	2,325,004	322,918	66,063	2,713,985

	Due year 2012 RM'000	Due year 2013 to 2016 RM'000	Due year 2017 to 2066 RM'000	Total RM'000
31 December 2011				
Group				
(i) Approved and contracted for:				
Lease rental payable to GoM other than within the operating agreements ^(a)	–	–	66,063	66,063
Capital expenditure	1,867,343	129,295	–	1,996,638
	1,867,343	129,295	66,063	2,062,701
(ii) Approved but not contracted for:				
Capital expenditure	484,137	818,735	–	1,302,872
(iii) Other Investments				
Investment in Istanbul Sabiha Gokcen International Airport ^(b)	–	146,790	–	146,790
Investment in GMR Male International Airport (“GMR Male”)	61,100	28,000	–	89,100
Investment in Segi Astana Sdn. Bhd. ^(c)	21,000	10,817	–	31,817
	82,100	185,607	–	267,707
	2,433,580	1,133,637	66,063	3,633,280

35. COMMITMENTS (CONT'D.)

	Due year 2013 RM'000	Due year 2014 to 2017 RM'000	Due year 2018 to 2066 RM'000	Total RM'000
31 December 2012				
Company				
(i) Approved and contracted for:				
Capital expenditure	1,447,269	–	–	1,447,269
(ii) Approved but not contracted for:				
Capital expenditure	2,92,613	–	–	292,613
(iii) Other Investments				
Investment in Istanbul Sabiha Gokcen International Airport ^(b)	–	116,433	–	116,433
Investment in Segi Astana Sdn. Bhd. ^(c)	10,818	–	–	10,818
	10,818	116,433	–	127,251
	1,750,700	116,433	–	1,867,133

	Due year 2012 RM'000	Due year 2013 to 2016 RM'000	Due year 2017 to 2066 RM'000	Total RM'000
31 December 2011				
Company				
(i) Approved and contracted for:				
Capital expenditure	1,739,612	129,295	–	1,868,907
(ii) Approved but not contracted for:				
Capital expenditure	–	818,735	–	818,735
(iii) Other Investments				
Investment in Istanbul Sabiha Gokcen International Airport ^(b)	–	146,790	–	146,790
Investment in Segi Astana Sdn. Bhd. ^(c)	21,000	10,817	–	31,817
	21,000	157,607	–	178,607
	1,760,612	1,105,637	–	2,866,249

35. COMMITMENTS (CONT'D.)

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Analysed as:				
Not later than 1 year	2,325,004	2,433,580	1,750,700	1,760,612
Later than 1 year and not later than 5 years	322,918	1,133,637	116,433	1,105,637
Later than 5 years	66,063	66,063	–	–
	2,713,985	3,633,280	1,867,133	2,866,249

- (a) Lease payable to the Federal Lands Commissioner under the Lease Agreement not within the Operating Agreements.
- (b) A Shareholder Support Agreement dated 6 June 2008 and amended and restated on 3 October 2011 (“Agreement”) was entered between the Company, together with GMR Infrastructure Limited, GMR Infrastructure Overseas S.L.U., Limak Insaat Sanayi Ve Ticaret A.S. and Limak Yatirim Isletme Hizmetleri Ve Insaat A.S. (collectively referred to as “Shareholders”), and, amongst others, Istanbul Sabiha Gokcen Uluslararası Havalimani Yatirim Yapim Ve Isletme A.S. (“ISGIA”) to facilitate the loan financing arrangements by ISGIA to fund the development of the Sabiha Gokcen International Airport in Istanbul, Turkey for amounts up to RM116,400,000 (2011: RM146,800,000). Pursuant to the Agreement, each Shareholder had agreed to provide further equity funding to ISGIA under certain prescribed circumstances, which include additional investment as may be requested by the Authority pursuant to its Implementation Agreement and to ensure ISGIA has sufficient funds to meet certain loan covenants and obligations as stipulated therein. The Company’s obligation to provide further equity funding is expected to be based on its proportionate shareholding in ISGIA and the Company is not obliged to cover any shortfall of any other Shareholder. As at 31 December 2012, there are no further approved commitments relating to the equity funding for the additional investment in ISGIA.
- (c) The commitments in respect of investment in Segi Astana Sdn Bhd are in accordance with the shareholders’ agreement where the Company will be subscribing the new shares issued by Segi Astana Sdn Bhd progressively as stipulated in the Share Subscription Schedule between years 2012 and 2013 of up to RM31.8 million.

36. FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

- (a) As at 31 December 2012, the Company provided corporate guarantees as follows:
- RM32,320,000 (2011: RM32,880,000) 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”).
 - RM13,736,000 (2011: RM13,974,000) 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.
 - RM24,240,000 (2011: RM24,660,000) 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 31 December 2012.

36. FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES (CONT'D.)

- (b) XY Base Technologies Sdn Bhd (“Plaintiff”) filed an application against our Company and our subsidiaries (“Defendants”) in the High Court (Suit No. 22-87-2022) for the following claims:
- (i) The sum of RM6,466,769.00 against MA (Sepang) for software support (“Software Support”);
 - (ii) General damages for unlawful interference with the Plaintiff’s employees against all the Defendants;
 - (iii) General damages for breach of memorandum of understanding/joint venture with the Plaintiff against all the Defendants; and
 - (iv) 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) and payment as to the judgment sum of RM6,466,769.00 for Software Support has been paid by MA (Sepang). In addition to this, the High Court has fixed 4 December 2012 for hearing to assess the damages in respect of the interference by the Defendants with the Plaintiff’s employees. The matter is now fixed for continued hearing on the 7 March 2013 by the court. The solicitors of the Defendants in this matter are of the view that the Court could award damages to the Plaintiff, however they are currently unable to quantify the sum claimed by the Plaintiff as the Plaintiff will have to prove its actual losses at the abovementioned hearing.

- (c) 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 the 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 Company announced that in response to Notices under Section 218(1)(e) of the Act served on MA (Sepang) on 1 February 2012 by the Appellants, MA (Sepang) 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 has 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 order.

On 18 September 2012, the Federal Court granted MA (Sepang)’s application for leave to appeal and Attorney General’s application to intervene. The Federal Court has fixed the hearing of the matter on 25 February 2013. 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.

37. RELATED PARTY DISCLOSURES

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2012 RM'000	2011 RM'000
Related Party Balances:		
Amount owing by associated companies	5,057	14,177
Related Party Transactions:		
<u>Associates:</u>		
KL Aviation Fuelling System Sdn. Bhd.	5,781	5,781
Istanbul Sabiha Gokcen International Airport	2,980	2,019
LGM Airport Operations Trade and Tourism Inc.	(249)	1,028
GMR Male International Airport	1,210	1,528
<u>Jointly Controlled Entities:</u>		
Segi Astana Sdn. Bhd.	1,273	530
Airport Cooling Energy Supply Sdn. Bhd.	715	894
Other Expenses:		
Bad debts written off		
<u>Associate:</u>		
GMR Male International Airport	9,342	-

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

285

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

(b) Other transactions

	Company	
	2012 RM'000	2011 RM'000
Disposal of associate to a subsidiary	-	(21,514)

Related companies:

These are subsidiaries and associates of the Company and its subsidiaries.

37. RELATED PARTY DISCLOSURES (CONT'D.)

(c) Compensation of key management personnel

The remuneration of other members of key management during the year was as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Short-term employee benefits	11,667	11,203	8,759	8,097
Post-employment benefit:				
Defined contribution plans	1,845	1,769	1,402	1,294
	13,512	12,972	10,161	9,391

Remuneration of directors is as disclosed in Note 8.

38. SIGNIFICANT EVENTS

(i) Dividend Reinvestment Plan

During the year, the Company undertook a recurring Dividend Reinvestment Plan ("DRP") that provides Shareholders the 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 the MAHB Shares.

The DRP will provide Shareholders with an opportunity to reinvest their Dividends in new MAHB Shares ("New Shares") in lieu of receiving cash and has capital management benefits as the reinvestment of Dividends by Shareholders in the New Shares will enlarge the Company's share capital base and strengthen the Company's capital position.

Under the DRP, any cash so retained within the Company, 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.

In addition, Shareholders are also 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. The DRP will also provide the Shareholders with greater flexibility to meet their investment objectives as they would have the choice of receiving the Dividends in cash or reinvesting into the Company through the subscription of additional Shares.

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").

38. SIGNIFICANT EVENTS (CONT'D.)

(i) Dividend Reinvestment Plan (cont'd.)

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.

The DRP had received all the necessary approvals from Bank Negara Malaysia, Bursa securities and from its shareholders at the Extraordinary General Meeting held on 30 November 2012. Subsequent to financial year ended 31 December 2012, an amount of RM33,526,046 was re-invested in the DRP and as disclosed in Note 11, the paid up share capital of the Company was increased to RM1,217,088,046 by the issuance of 7,088,046 shares of RM1 each under the DRP.

(ii) Investment in GMR Male International Airport Limited

On 27 November 2012, the Maldivian government declared the concession agreement with GMR Male International Airport Limited (“GMR Male”) which was awarded in 2010, as void. GMR Male is to operate, maintain, expand, rehabilitate and modernise the Ibrahim Nasir International Airport (“INIA”) for a period of 25 years which the Group has 23% interest. As disclosed in Note 18, a provision for impairment loss in the investment in GMR Male has been provided for in the financial statements.

39. SUBSEQUENT EVENT

On 31 December 2012, K.L. Airport Hotel Sdn. Bhd. (“KLAH”), a wholly-owned subsidiary of the Group has entered into a Joint Venture Agreement with ATOZ Hospitality Services Sdn Bhd (“ATOZ”), to set up a private limited Joint Venture Company for the purpose of operating and managing a new airport hotels brand known as “Sama-Sama Hospitality Group” which comprised of two sub-brands namely, “Sama-Sama Hotel” and “Sama-Sama Express”. The authorised capital of JV Company shall be 100,000 and the registered paid-up capital shall be RM100 divided into 100 ordinary shares of RM1.00 each. The shareholdings of the Parties shall be in the proportions of 51% for KLAH and 49% for ATOZ. There were no effects to the Group at the reporting date.

On 1 January 2013, Pan Pacific Hotel KLIA under KLAH has been rebranded to Sama-Sama Hotel K.L. International Airport.

On 2 January 2013, the JV Company was incorporated as Sama-Sama Hospitality Management Sdn Bhd.

40. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer and Head of Treasury. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group’s policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group’s and the Company’s exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group’s income and operating cash flows are substantially independent of changes in market interest rates. The Group’s interest-bearing financial assets are mainly short-term in nature and have been mostly placed in fixed deposits.

40. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Interest rate risk (cont'd.)

The Group has minimal exposure to interest rate risk at the reporting date. The following table sets out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the reporting date and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk:

	Note	WAEIR %	Within 1 Year RM'000	1-2 Years RM'000	Over 5 Years RM'000	Total RM'000
At 31 December 2012						
Group						
Fixed rate term loan	32	4.54	–	–	3,100,000	3,100,000
Floating rate						
Cash and cash equivalents	25	2.79	622,928	–	–	622,928
Company						
Fixed rate term loan	32	4.54	–	–	3,100,000	3,100,000
Floating rate						
Cash and cash equivalents	25	2.78	435,450	–	–	435,450
At 31 December 2011						
Group						
Fixed rate term loan	32	4.62	–	–	2,500,000	2,500,000
Floating rate						
Cash and cash equivalents	25	2.72	688,192	–	–	688,192
Company						
Fixed rate term loan	32	4.62	–	–	2,500,000	2,500,000
Floating rate						
Cash and cash equivalents	25	3.03	483,057	–	–	483,057

Interest on financial instruments subject to floating interest rates is contractually repriced at intervals of less than 6 days (2011: 77 days). Interest on financial instruments are fixed at fixed rate until the maturity of the instrument. The other financial instruments of the Group and of the Company that are not included in the above tables are not subject to interest rate risks.

40. FINANCIAL INSTRUMENTS (CONT'D.)

(c) Foreign currency risk

Other than the Group's investments in foreign associates and foreign subsidiaries, the Group does not operate internationally but is mainly exposed to the United States Dollar, Great Britain Pound, Euro, Singapore Dollar, Swiss Franc, China RMB and Hong Kong Dollar. Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to a manageable level and short-term imbalances are addressed by buying and selling foreign currencies at spot rate.

The net unhedged financial assets and financial liabilities of the Group and the Company that are not denominated in their functional currencies are as follows:

Group	Net Financial Assets/(Liabilities) Held in Non-Functional Currencies							
	United States Dollar	Great Britain Pound	Euro	Singapore Dollar	Switzerland Swiss Franc	China RMB/CNY	Hong Kong HKD	Total
Functional Currency of Group Companies	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2012								
Ringgit Malaysia	(9,790)	(288)	(20,866)	1,670	–	2,712	(120)	(26,682)
At 31 December 2011								
Ringgit Malaysia	6,868	(236)	(1,209)	1,185	15	(6)	(124)	6,493
Company								
At 31 December 2012								
Ringgit Malaysia	(676)	(223)	(22,181)	–	–	–	(124)	(23,204)
At 31 December 2011								
Ringgit Malaysia	11,710	(163)	1,587	424	–	–	(124)	13,434

40. FINANCIAL INSTRUMENTS (CONT'D.)

(c) Foreign currency risk (cont'd.)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD, GBP, Euro and SGD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		Group 2012 RM'000 Profit net of tax	Company 2012 RM'000 Profit net of tax
USD/RM	– strengthened 5%	490	34
	– weakened 5%	(490)	(34)
GBP/RM	– strengthened 5%	14	11
	– weakened 5%	(14)	(11)
Euro/RM	– strengthened 5%	1,043	1,109
	– weakened 5%	(1,043)	(1,109)
SGD/RM	– strengthened 5%	(84)	–
	– weakened 5%	84	–
RMB/RM	– strengthened 5%	(136)	–
	– weakened 5%	136	–
HKD/RM	– strengthened 5%	6	6
	– weakened 5%	(6)	(6)

(d) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short-term funding so as to achieve overall cost effectiveness.

At the reporting date, the entire trade and other payable will mature on demand or within a year.

40. FINANCIAL INSTRUMENTS (CONT'D.)

(d) Liquidity risk (cont'd.)

Analysis of financial instrument by remaining contractual maturities

The below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date on contractual undiscounted repayment obligations.

	On demand within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
31 December 2012				
Financial liabilities:				
Trade and other payables	822,481	–	–	822,481
Loans and borrowings	115,700	578,500	3,453,967	4,148,167
Total undiscounted financial liabilities	938,181	578,500	3,453,967	4,970,648
31 December 2011				
Financial liabilities:				
Trade and other payables	913,929	–	–	913,929
Loans and borrowings	115,700	578,500	2,969,984	3,664,184
Total undiscounted financial liabilities	1,029,629	578,500	2,969,984	4,578,113
Company				
31 December 2012				
Financial liabilities:				
Trade and other payables	283,977	–	–	283,977
Loans and borrowings	115,700	578,500	2,853,967	3,548,167
Total undiscounted financial liabilities	399,677	578,500	2,853,967	3,832,144
31 December 2011				
Financial liabilities:				
Trade and other payables	333,337	–	–	333,337
Loans and borrowings	115,700	578,500	2,969,984	3,664,184
Total undiscounted financial liabilities	449,037	578,500	2,969,984	3,997,521

40. FINANCIAL INSTRUMENTS (CONT'D.)

(e) Credit risk

The Group's credit risk is primarily attributable to trade receivables. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets.

Exposure to credit risk

The Group's credit risk is primarily attributable to trade receivables. The Group trades only with recognised and creditworthy third parties. Majority of trade receivables are due from tenants, airline companies and representative firms. The customer portfolio of the Group is diversified, with Malaysia Airlines and Air Asia Group, being the main customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. The Group obtains bank guarantee from its major customer other than airlines.

Investments are acquired after assessing the quality of the relevant investments. Cash and cash equivalent is placed with reliable financial institution.

The credit risk of the trade and other receivables are disclosed in Note 21. The Group's other financial assets, which comprise investments and cash and cash equivalents arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets as disclosed in Notes 20 and 25.

Credit risk concentration profile

At the reporting date, approximately 54% (2011: 55%) of the Group's trade receivables were due from eight (2011: seven) major customers who are reputable and located in Malaysia.

In addition, the Group's concentration of risk also includes the amount receivable from the GoM as disclosed in Note 21 and the Group minimise its credit risk by regular communication with the GoM.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 21. Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 21.

40. FINANCIAL INSTRUMENTS (CONT'D.)

(f) Fair values

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	21
Trade and other payables	33

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

The methods and assumptions used by management to determine fair values of financial instruments other than those whose carrying amounts reasonably approximate their fair values are as follows:

(i) Other receivables (non-current), loans and borrowings and other payables (non-current)

Fair value has been determined using discounted estimated cash flows. The discount rates used are the current market incremental lending rates for similar types of lending and borrowings.

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

(ii) Unit trusts, bonds and medium term notes

The fair value of unit trusts, bonds and medium notes is based on market price.

41. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group actively manages its capital structure and makes adjustments to it in light of changes in, amongst others, its operating environment and economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2012 and 31 December 2011.

Gearing ratio is not a standardised term under the Financial Reporting Standards and its determination may vary from other companies. The gearing ratio is included in management's analysis because it is used as a financial measure of potential capacity of the Group to incur and service its debt coverage and determined as aggregate indebtedness over the equity of the Group. The Group's policy is to keep its gearing ratio manageable so as to maintain its strong credit ratings and in any event not exceeding 125% as provided in the Covenants under its Sukuk Programmes. The Group includes loans, borrowings and certain financial guarantee and contingent liabilities within the aggregate indebtedness, but excludes inter-company loans which are subordinated to the Sukuk Programmes. Equity of the Group includes, if any, preference equity, subordinated shareholders' advances or loans and retained earnings or accumulated losses less goodwill.

41. CAPITAL MANAGEMENT (CONT'D.)

	Note	Group		Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Loans and borrowings	32	3,100,000	2,500,000	3,100,000	2,500,000
Financial guarantee and contingent liabilities	36	70,296	71,514	70,296	71,514
Other financial liability	31	176,562	183,486	–	–
Aggregate indebtedness		3,346,858	2,755,000	3,170,296	2,571,514
Equity attributable to the owners of the parent		4,359,280	3,546,869	2,669,497	2,191,493
Total equity		4,359,280	3,546,869	2,669,497	2,191,493
Gearing ratio		77%	78%	119%	117%

42. SEGMENT INFORMATION

(a) Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(b) Business segments

For management purposes, the Group is organised into business units and has the following reportable operating segments:-

(i) Duty free and non-dutiable goods

To operate duty free, non duty free outlets and provide management service in respect of food and beverage outlets at designated airports.

(ii) Airport services

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

(iii) Agriculture and horticulture

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

(iv) Hotel

To manage and operate a hotel, known as The Pan Pacific Hotel KLIA which was rebranded to Sama-Sama Hotel K.L. International Airport on 1 January 2013.

42. SEGMENT INFORMATION (CONT'D.)

(b) Business segments (cont'd.)

- (v) Project and repair maintenance

To provide consultancy, operations and maintenance of Information and Communication Technology business ventures and provision of mechanical and electrical engineering.

Other business segments include investment holding and other activities, none of which are of a sufficient size to be reported separately.

(c) Geographical segments

No segmental information is provided on a geographical basis as the results of the overseas subsidiaries company are considered insignificant to the Group.

(d) Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

42. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment:

	Continuing operations										Total operation RM'000	
	Airport operations			Non-airport operations			Project and repair and maintenance			Notes		Total RM'000
	Duty free and non-dutiable goods RM'000	Airport services RM'000	Agriculture and horticulture RM'000	Hotel maintenance RM'000	Others RM'000	Eliminations RM'000	Project and repair and maintenance RM'000	Discontinued operations Project and repair and maintenance RM'000				
31 December 2012												
Revenue												
External sales												
Airport operations:												
Aeronautical	-	1,036,710	-	-	-	-	-	-	-	1,036,710	-	1,036,710
Non-aeronautical:												
Retail	536,455	-	-	-	-	-	-	-	-	536,455	-	536,455
Others	1,057	447,886	-	-	-	-	-	-	-	448,943	-	448,943
Construction	-	1,385,049	-	-	-	-	-	-	-	1,385,049	-	1,385,049
Non-airport operations	-	-	45,594	75,051	20,260	-	-	-	-	140,905	8	140,913
Inter-segment sales	2,337	153,962	2,926	1,331	27,241	-	(187,797)	A	-	-	-	-
Inter-segment dividends	-	-	-	-	-	-	117,279	(117,279)	-	-	-	-
Total revenue	539,849	3,023,607	48,520	76,382	47,501	117,279	(305,076)			3,548,062	8	3,548,070

42. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (cont'd.)

	Continuing operations										
	Airport operations			Non-airport operations				Discontinued operations			
	Duty free and non-dutiable goods RM'000	Airport services RM'000	Agriculture and horticulture RM'000	Hotel maintenance RM'000	Project and repair maintenance RM'000	Others RM'000	Eliminations RM'000	Notes	Total RM'000	Project and repair maintenance RM'000	Total operation RM'000
31 December 2012											
Results											
Segment results	42,857	906,919	20,737	9,787	1,329	53,629	(105,518)	B	929,740	189	929,929
Depreciation and amortisation	(5,558)	(187,009)	(3,498)	(7,888)	(148)	(17,176)	-		(221,277)	-	(221,277)
Finance costs	-	(19,029)	(1)	-	(1)	(4)	-		(19,035)	-	(19,035)
Impairment of Investment of associate company	-	-	-	-	-	(68,916)	-		(68,916)	-	(68,916)
Share of results of associates	-	3,760	-	-	-	(21,265)	-		(17,505)	-	(17,505)
Share of results of jointly controlled entities	-	-	-	-	-	(251)	-		(251)	-	(251)
Profit/(loss) before tax	37,299	704,641	17,238	1,899	1,180	(53,983)	(105,518)		602,756	189	602,945
Income tax expense	(10,266)	(181,157)	(2,903)	(1,798)	(2,486)	(28,601)	18,726	C	(208,485)	-	(208,485)
Profit/(loss) for the year	27,033	523,484	14,335	101	(1,306)	(82,584)	(86,792)		394,271	189	394,460

42. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (cont'd.)

	Continuing operations										
	Airport operations			Non-airport operations			Discontinued operations				
	Duty free and non-dutiable goods RM'000	Airport services RM'000	Agriculture and horticulture RM'000	Hotel maintenance RM'000	Project and repair RM'000	Others RM'000	Eliminations RM'000	Notes	Total RM'000	Project and repair maintenance RM'000	Total operation RM'000
31 December 2012											
(cont'd.)											
Assets											
Segment assets	182,209	5,459,506	69,921	90,579	122,302	6,059,319	(4,894,557)	D	7,089,279	63	7,089,342
Additions to non-current assets	2,703	298,435	1,426	33,203	38	1,394,272	-	E	1,730,077	-	1,730,077
Investment in associates	-	20,151	-	-	-	227	-	-	20,378	-	20,378
Total assets	184,912	5,778,092	71,347	123,782	122,340	7,453,818	(4,894,557)		8,839,734	63	8,839,797
Liabilities											
Segment liabilities representing total liabilities	88,751	2,341,831	678	18,903	48,012	4,808,078	(2,825,796)	F	4,480,457	60	4,480,517

42. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (cont'd.)

	Continuing operations										Discontinued operations	
	Airport operations			Non-airport operations				Project and repair and maintenance			Auction, Project and repair and maintenance	
	Duty free and non-dutiable goods RM'000	Airport services RM'000	Agriculture and horticulture RM'000	Hotel RM'000	Project and repair and maintenance RM'000	Others RM'000	Eliminations RM'000	Notes	Total RM'000	Total maintenance RM'000	Total operation RM'000	
31 December 2011												
Revenue												
External sales												
Airport operations:												
Aeronautical	-	888,964	-	-	-	-	-	888,964	-	-	888,964	-
Non-aeronautical:												
Retail	473,328	-	-	-	-	-	-	473,328	-	-	473,328	-
Others	1,246	423,179	-	-	-	-	-	424,425	-	-	424,425	-
Construction	-	820,502	-	-	-	-	-	820,502	-	-	820,502	-
Non-airport operations	-	-	55,390	73,783	18,281	-	-	147,454	156	156	147,610	-
Inter-segment sales	1,604	137,851	2,747	861	87,106	-	(230,030)	139	(139)	(139)	-	-
Inter-segment dividends	-	-	-	-	-	194,093	(194,093)	-	-	-	-	-
Total revenue	476,178	2,270,496	58,137	74,644	105,387	194,093	(424,123)	2,754,812	17	2,754,829	2,754,829	-

42. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (cont'd.)

	← Continuing operations →				← Discontinued operations →						
	Airport operations		Non-airport operations		Airport operations		Discontinued operations				
	Duty free and non-durable goods RM'000	Airport services RM'000	Agriculture and horticulture RM'000	Hotel maintenance RM'000	Project and repair RM'000	Others RM'000	Eliminations RM'000	Notes	Total RM'000	Project and repair and maintenance RM'000	Total operation RM'000
Results											
Segment results	44,190	778,636	23,633	17,882	9,905	174,205	(221,918)	B	826,533	(54)	826,479
Depreciation and amortisation	(4,258)	(151,624)	(3,385)	(7,979)	(259)	(6,940)	-		(174,445)	-	(174,445)
Finance costs	-	(18,809)	-	-	-	-	-		(18,809)	-	(18,809)
Share of results of associates	-	3,476	-	-	-	(63,240)	-		(59,764)	-	(59,764)
Share of results of jointly controlled entities	-	-	-	-	-	677	-		677	-	677
Profit/(loss) before tax	39,932	611,679	20,248	9,903	9,646	104,702	(221,918)		574,192	(54)	574,138
Income tax expense	(9,912)	(144,766)	(4,757)	(2,742)	(4,272)	(46,686)	40,160	C	(172,975)	-	(172,975)
Profit/(loss) for the year	30,020	466,913	15,491	7,161	5,374	58,016	(181,758)		401,217	(54)	401,163

42. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (cont'd.)

	Airport operations			Continuing operations				Discontinued operations				
	Duty free and non-dutiable goods RM'000	Airport services RM'000	Agriculture and horticulture RM'000	Non-airport operations	Hotel maintenance RM'000	Project and repair and maintenance RM'000	Others RM'000	Eliminations RM'000	Notes RM'000	Total RM'000	Project and repair and maintenance RM'000	Total operation RM'000
Assets												
Segment assets	184,964	5,889,989	88,641	126,094	174,052	5,754,544	(5,970,414)		D	6,247,870	446	6,248,316
Additions to non-current assets	9,241	258,188	2,432	3,169	22	844,257	-		E	1,117,309	-	1,117,309
Investment in associates	-	600	-	-	21,514	39,501	-			61,615	-	61,615
Total assets	194,205	6,148,777	91,073	129,263	195,588	6,638,302	(5,970,414)			7,426,794	446	7,427,240
Liabilities												
Segment liabilities representing total liabilities	109,758	3,074,871	28,784	18,193	121,840	4,549,744	(4,022,997)		F	3,880,193	178	3,880,371

42. SEGMENT INFORMATION (CONT'D.)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

- (A) Inter-segment sales and dividends are eliminated on consolidation.
- (B) The following items are added to/(deducted from) segment profit to arrive at "Profit before tax from continuing operations" presented in the consolidated statements of comprehensive income:

	2012 RM'000	2011 RM'000
Profit from inter-segment revenue	–	–
Profit from inter-segment dividend	(117,279)	(194,093)
Foreign currency exchange	–	–
	(117,279)	(194,093)

- (C) Inter-segment tax payable on dividend received are eliminated on consolidation.
- (D) The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2012 RM'000	2011 RM'000
Investment in subsidiaries	(1,883,982)	(1,883,805)
Inter-segment assets	(3,010,575)	(4,086,609)
	(4,894,557)	(5,970,414)

- (E) Additions to non-current assets consist of:

	2012 RM'000	2011 RM'000
Property, plant and equipment	70,336	49,928
Plantation development expenditure	1,121	2,049
Intangible assets	1,658,620	1,065,332
	1,730,077	1,117,309

- (F) The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated financial statements of financial position:

	2012 RM'000	2011 RM'000
Provision for additional investment relating to an associate	(57,369)	(42,366)
Inter-segment liabilities	2,883,165	4,065,363
	2,825,796	4,022,997

43. SUPPLEMENTARY EXPLANATORY NOTE ON DISCLOSURE OF REALISED AND UNREALISED PROFITS

The breakdown of the retained earnings of the Group and of the Company as at 31 December 2012 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Total retained earnings of the Company and its subsidiaries				
– Realised	3,440,220	3,163,928	61,133	234,012
– Unrealised	33,293	10,198	77,636	34,737
	3,473,513	3,174,126	138,769	268,749
Total share of retained earnings/ (accumulated losses) from associated companies:				
– Realised	(211,319)	(187,793)	–	–
– Unrealised	54,892	51,270	–	–
	(156,427)	(136,523)	–	–
Total share of retained earnings from jointly controlled entities:				
– Realised	265	677	–	–
– Unrealised	160	–	–	–
	425	677	–	–
Less: Consolidation adjustments	(1,490,753)	(1,413,112)	–	–
Total retained earnings as per financial statements	1,826,758	1,625,168	138,769	268,749

The determination of realised and unrealised profits above is solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

PASSENGER MOVEMENTS		2012	2011	% +/-
Terminal passengers	(international)	32,379,493	30,441,067	6.4%
Terminal passengers	(domestic)	34,275,100	32,922,125	4.1%
Transit passengers		541,127	646,466	-16.3%
Total passenger movements		67,195,720	64,009,658	5.0%

AIRCRAFT MOVEMENTS		2012	2011	% +/-
Commercial aircraft	(international)	241,433	227,514	6.1%
Commercial aircraft	(domestic)	404,750	404,622	0.03%
Total commercial aircraft		646,183	632,136	2.2%
All other aircraft		199,549	228,440	-12.6%
Total aircraft movements		845,732	860,576	-1.7%

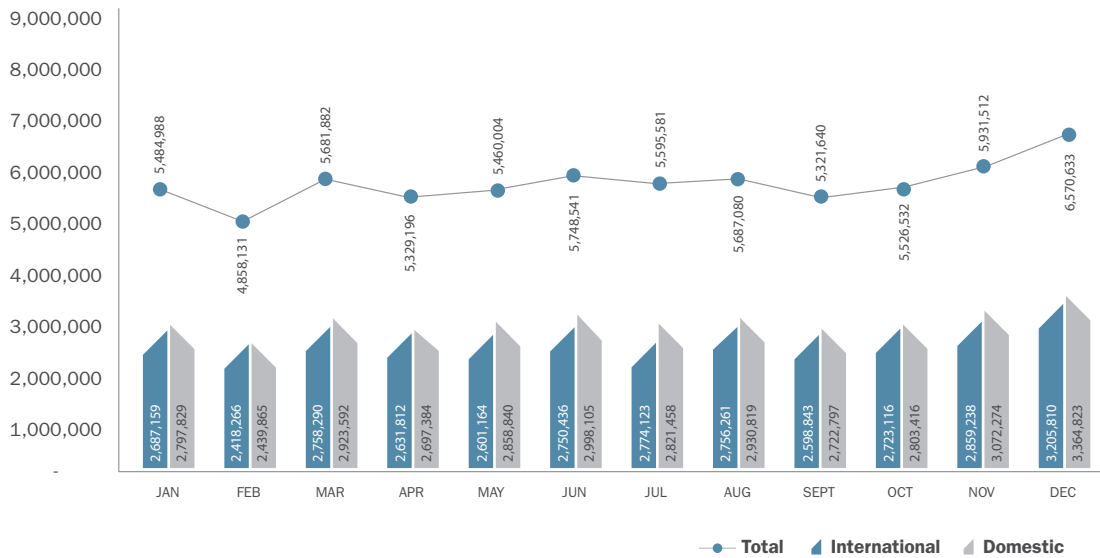
CARGO MOVEMENTS (kg)		2012	2011	% +/-
Cargo movements	(international)	712,382,356	721,752,807	-1.3%
Cargo movements	(domestic)	164,200,713	166,546,077	-1.4%
Transit cargo		10,372,244	11,527,677	-10.0%
Total cargo movements		886,955,313	899,826,561	-1.4%

MAIL MOVEMENTS (kg)		2012	2011	% +/-
Mail movements	(international)	27,929,208	24,154,543	15.6%
Mail movements	(domestic)	8,483,066	7,793,346	8.9%
Transit mail		59,735	137,752	-56.6%
Total mail movements		36,472,009	32,085,641	13.7%

AIRPORTS	DOMESTIC			INTERNATIONAL			TOTAL			TRANSIT		
	Arrival	Departure	Total	Arrival	Departure	Total	2012*	2011*	% +/-	Domestic	Int'l	Total
KLIA	5,981,167	5,920,291	11,901,458	13,713,614	13,898,474	27,612,088	39,887,866	37,704,510	5.8%	193	374,127	374,320
Penang	1,209,063	1,229,267	2,438,330	1,162,850	1,161,076	2,323,926	4,767,815	4,600,274	3.6%	2,760	2,799	5,559
Kota Kinabalu	2,265,486	2,272,504	4,537,990	651,028	655,590	1,306,618	5,848,135	5,808,639	0.7%	1,874	1,653	3,527
Kuching	1,872,347	1,866,511	3,738,858	210,961	210,045	421,006	4,186,523	4,286,722	-2.3%	20,216	6,443	26,659
Langkawi	726,482	737,540	1,464,022	64,344	64,677	129,021	1,594,106	1,504,697	5.9%	1,063	-	1,063
Kota Bharu	621,750	632,805	1,254,555	2,174	2,476	4,650	1,259,205	1,132,345	11.2%	-	-	-
Ipoh	361	237	598	36,079	36,677	72,756	73,354	71,169	3.1%	-	-	-
Kuala Terengganu	270,647	276,505	547,152	1,907	1,772	3,679	550,831	502,966	9.5%	-	-	-
Alor Setar	215,613	218,031	433,644	-	-	-	433,644	407,717	6.4%	-	-	-
Melaka	1,657	1,999	3,656	16,289	14,407	30,696	34,355	21,322	61.1%	-	3	3
Subang	560,243	559,468	1,119,711	164,010	158,793	322,803	1,442,514	1,320,227	9.3%	-	-	-
Kuantan	125,616	122,603	248,219	15,866	15,989	31,855	280,074	248,846	12.5%	-	-	-
Tioman	21,182	21,644	42,826	8,506	8,809	17,315	60,141	62,010	-3.0%	-	-	-
Pangkor	1,945	2,123	4,068	-	-	-	4,068	547	643.7%	-	-	-
Redang	12,770	12,517	25,287	5,260	5,375	10,635	35,960	46,159	-22.1%	38	-	38
Labuan	290,745	284,897	575,642	-	4	4	617,130	567,928	8.7%	41,484	-	41,484
Lahad Datu	71,261	71,472	142,733	-	-	-	142,733	131,054	8.9%	-	-	-
Sandakan	404,705	408,775	813,480	569	950	1,519	834,626	788,515	5.8%	19,627	-	19,627
Tawau	478,962	483,671	962,633	9,127	10,348	19,475	982,153	922,452	6.5%	45	-	45
Bintulu	320,471	316,657	637,128	30	-	30	661,553	590,253	12.1%	24,395	-	24,395
Miri	963,773	970,507	1,934,280	35,167	36,250	71,417	2,018,415	1,856,626	8.7%	12,718	-	12,718
Sibu	591,786	591,633	1,183,419	-	-	-	1,204,267	1,133,093	6.3%	20,848	-	20,848
Mulu	24,535	25,084	49,619	-	-	-	49,670	67,041	-25.9%	51	-	51
Limbang	28,276	29,576	57,852	-	-	-	57,852	56,211	2.9%	-	-	-
STOL Sabah	2,134	2,216	4,350	-	-	-	5,970	5,046	18.3%	1,620	-	1,620
STOL Sarawak	72,692	80,898	153,590	-	-	-	162,760	173,289	-6.1%	9,170	-	9,170
Peninsular Malaysia	9,748,496	9,735,030	19,483,526	15,190,899	15,368,525	30,559,424	50,423,933	47,622,789	5.9%	4,054	376,929	380,983
Sabah	3,513,293	3,523,535	7,036,828	660,724	666,892	1,327,616	8,430,747	8,223,634	2.5%	64,650	1,653	66,303
Sarawak	3,873,880	3,880,866	7,754,746	246,158	246,295	492,453	8,341,040	8,163,235	2.2%	87,398	6,443	93,841
Total 2012	17,135,669	17,139,431	34,275,100	16,097,781	16,281,712	32,379,493	67,195,720	64,009,658	5.0%	156,102	385,025	541,127
Total 2011	16,480,188	16,441,937	32,922,125	15,148,998	15,292,069	30,441,067	64,009,658			212,621	433,845	646,466
% change	4.0%	4.2%	4.1%	6.3%	6.5%	6.4%	5.0%			-26.6%	-11.3%	-16.3%

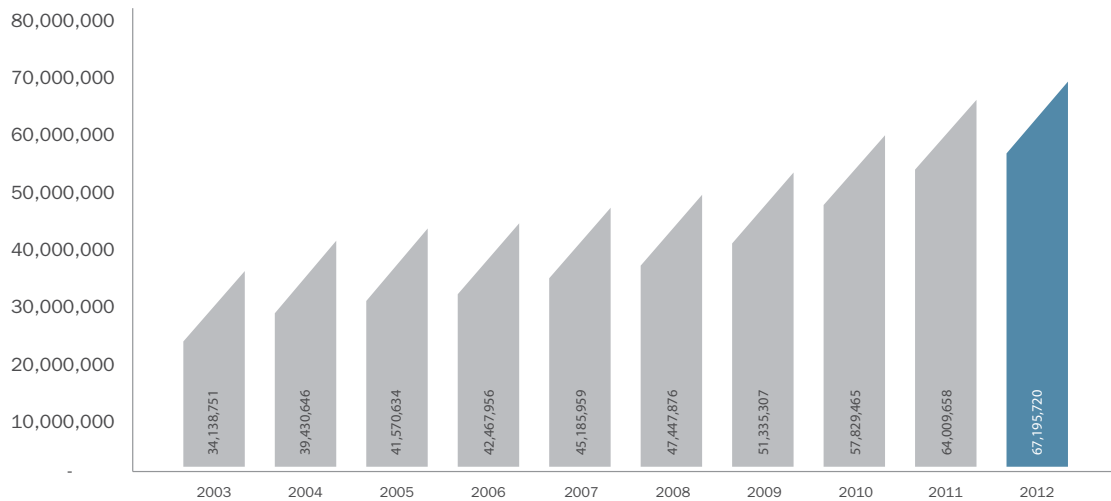
Note : * Including transit passengers

PASSENGER MOVEMENTS AT MAHB AIRPORTS 2012



AIRPORTS	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	% + /-
KLIA	17,454,564	21,058,572	23,213,926	24,129,748	26,453,379	27,529,355	29,682,093	34,087,636	37,704,510	39,887,866	5.8%
Penang	2,334,669	2,987,993	2,834,545	3,103,772	3,173,117	3,405,762	3,325,423	4,166,969	4,600,274	4,767,815	3.6%
Kota Kinabalu	3,302,366	3,918,201	3,975,136	4,015,221	4,399,939	4,689,164	4,868,526	5,223,454	5,808,639	5,848,135	0.7%
Kuching	2,923,633	3,317,879	3,354,973	3,196,352	3,236,468	3,238,614	3,574,632	3,684,517	4,286,722	4,186,523	-2.3%
Langkawi	726,817	845,276	830,334	934,024	1,122,911	1,196,956	1,359,271	1,374,729	1,504,697	1,594,106	5.9%
Johor Bahru	651,352	-	-	-	-	-	-	-	-	-	-
Kota Bharu	589,950	639,871	635,397	678,306	759,316	836,060	1,003,162	1,047,755	1,132,345	1,259,205	11.2%
Ipoh	115,286	103,123	74,451	64,711	814	5,376	21,937	48,508	71,169	73,354	3.1%
Kuala Terengganu	394,240	435,620	419,475	398,252	430,800	487,495	523,619	520,611	502,966	550,831	9.5%
Alor Setar	353,778	346,502	323,669	292,549	291,006	307,564	421,314	400,997	407,717	433,644	6.4%
Melaka	31,108	46,692	27,683	18,509	27,209	23,751	18,576	21,687	21,322	34,355	61.1%
Subang	72,491	90,593	83,602	83,502	95,583	307,747	819,840	1,118,309	1,320,227	1,442,514	9.3%
Kuantan	351,179	349,375	298,184	273,005	262,486	259,529	226,912	220,878	248,846	280,074	12.5%
Tioman	56,900	57,957	54,054	57,559	46,260	48,767	49,057	54,056	62,010	60,141	-3.0%
Pangkor	6,095	10,247	11,193	9,866	8,906	8,132	7,617	2,588	547	4,068	643.7%
Redang	-	20,750	30,650	28,928	33,738	34,957	28,246	48,610	46,159	35,960	-22.1%
Labuan	696,961	686,103	642,582	575,684	535,294	550,859	476,876	505,903	567,928	617,130	8.7%
Lahad Datu	107,914	117,584	116,973	108,697	77,024	99,983	98,558	113,442	131,054	142,733	8.9%
Sandakan	497,999	574,213	621,513	633,194	626,192	618,927	672,469	741,674	788,515	834,626	5.8%
Tawau	551,168	620,847	680,901	660,331	736,646	768,967	866,601	897,848	922,452	982,153	6.5%
Bintulu	427,894	464,576	487,077	449,673	381,158	417,918	487,060	557,459	590,253	661,553	12.1%
Miri	1,377,312	1,509,684	1,594,855	1,559,379	1,454,167	1,537,840	1,620,345	1,694,915	1,856,626	2,018,415	8.7%
Sibu	817,687	903,108	920,930	898,923	809,955	831,772	939,732	1,009,002	1,133,093	1,204,267	6.3%
Mulu	41,280	54,767	52,914	48,825	37,463	43,652	49,255	66,575	67,041	49,670	-25.9%
Limbang	83,459	96,209	105,652	89,814	50,107	49,181	45,512	50,044	56,211	57,852	2.9%
STOL Sabah	6,945	7,099	6,009	5,933	1,942	3,741	0	793	5,046	5,970	18.3%
STOL Sarawak	165,704	167,805	173,956	153,199	134,079	145,807	148,674	170,506	173,289	162,760	-6.1%
Peninsular Malaysia	23,138,429	26,992,571	28,837,163	30,072,731	32,705,525	34,451,451	37,487,067	43,113,333	47,622,789	50,423,933	5.9%
Sabah	5,163,353	5,924,047	6,043,114	5,999,060	6,377,037	6,731,641	6,983,030	7,483,114	8,223,634	8,430,747	2.5%
Sarawak	5,836,969	6,514,028	6,690,357	6,396,165	6,103,397	6,264,784	6,865,210	7,233,018	8,163,235	8,341,040	2.2%
Grand Total	34,138,751	39,430,646	41,570,634	42,467,956	45,185,959	47,447,876	51,335,307	57,829,465	64,009,658	67,195,720	5.0%
% change	0.4%	15.5%	5.4%	2.2%	6.4%	5.0%	8.2%	12.7%	10.7%	5.0%	

PASSENGER MOVEMENTS AT MAHB AIRPORTS (2003 – 2012)



MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

309

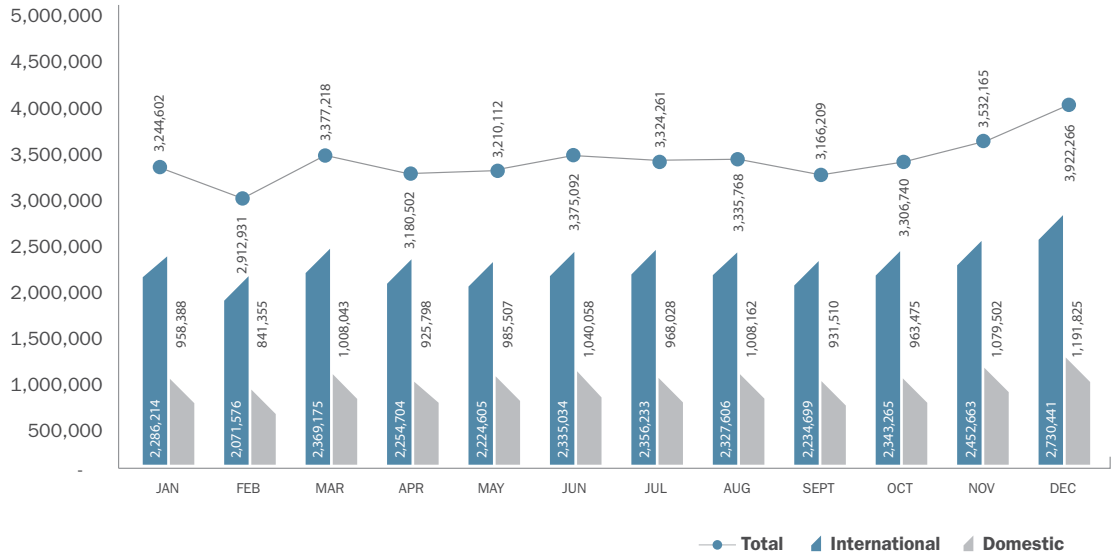
PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

PASSENGER
MOVEMENTS AT
KL INTERNATIONAL
AIRPORT 2012

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

310

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC



	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
SOUTH EAST ASIA							
Balikpapan	21,669	20,372	20,206	19,161	41,875	39,533	5.9%
Banda Aceh	29,218	27,997	29,584	28,916	58,802	56,913	3.3%
Bandar Seri Begawan	154,861	144,801	155,848	144,760	310,709	289,561	7.3%
Bandung	162,564	152,455	173,202	162,452	335,766	314,907	6.6%
Bangkok	724,383	723,051	729,862	747,827	1,454,245	1,470,878	-1.1%
Cebu	711	-	887	-	1,598	-	-
Chiang Mai	71,123	52,896	72,206	52,635	143,329	105,531	35.8%
Clark Field	65,098	44,703	65,690	46,849	130,788	91,552	42.9%
Da Nang	26,847	1,154	26,696	1,416	53,543	2,570	1983.4%
Denpasar Bali	394,866	402,437	387,995	392,141	782,861	794,578	-1.5%
Don Mueang	96,642	-	102,423	-	199,065	-	-
Hanoi	133,608	120,700	146,912	130,248	280,520	250,948	11.8%
Hatyai	43,165	43,324	42,704	43,045	85,869	86,369	-0.6%
Ho Chi Minh City	370,850	335,303	362,673	319,792	733,523	655,095	12.0%
Jakarta	913,983	767,493	929,414	784,501	1,843,397	1,551,994	18.8%
Koh Samui	16,178	-	16,509	-	32,687	-	-
Krabi	50,432	47,251	49,234	46,041	99,666	93,292	6.8%
Lombok	5,006	-	5,867	-	10,873	-	-
Manila	218,275	163,240	205,630	158,707	423,905	321,947	31.7%
Mataram	-	2,526	-	6,418	-	8,944	-
Medan	284,678	258,971	300,752	271,729	585,430	530,700	10.3%
Padang	71,552	68,786	71,327	70,226	142,879	139,012	2.8%
Palembang	40,886	19,986	41,455	20,372	82,341	40,358	104.0%
Pekan Baru	48,138	47,448	49,198	47,198	97,336	94,646	2.8%
Phnom Penh	137,587	130,197	155,649	132,961	293,236	263,158	11.4%
Phuket	288,386	261,595	286,549	258,186	574,935	519,781	10.6%
Semarang	37,330	-	42,355	-	79,685	-	-
Siem Reap	66,226	60,684	64,426	58,021	130,652	118,705	10.1%
Singapore	1,581,595	1,479,495	1,528,571	1,464,692	3,110,166	2,944,187	5.6%
Solo City	23,232	40,121	31,456	49,080	54,688	89,201	-38.7%
Surabaya	246,014	263,019	275,047	288,200	521,061	551,219	-5.5%
Surat Thani	16,221	-	16,483	-	32,704	-	-
Ujung Pandang	27,497	28,003	29,661	28,971	57,158	56,974	0.3%
Vientiane	24,913	19,986	25,343	20,052	50,256	40,038	25.5%
Yangon	127,405	121,933	123,281	99,429	250,686	221,362	13.2%
Yogyakarta	50,530	49,559	60,515	59,105	111,045	108,664	2.2%
Total	6,571,669	5,899,486	6,625,610	5,953,131	13,197,279	11,852,617	11.3%

INTERNATIONAL
PASSENGER
MOVEMENTS BY
SECTORS AT
**KL INTERNATIONAL
AIRPORT 2012**

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

312

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
NORTH EAST ASIA							
Beijing	193,816	120,891	195,751	125,582	389,567	246,473	58.1%
Changsha	-	88	-	373	-	461	-
Chengdu	66,408	67,223	68,092	68,775	134,500	135,998	-1.1%
Chongqing	-	185	-	255	-	440	-
Fuzhou	13,612	13,378	13,430	13,367	27,042	26,745	1.1%
Guangzhou	302,347	295,026	306,186	301,162	608,533	596,188	2.1%
Guilin	29,872	30,136	30,123	30,359	59,995	60,495	-0.8%
Haikou	546	6,255	707	6,103	1,253	12,358	-89.9%
Haneda	90,200	40,666	85,657	37,239	175,857	77,905	125.7%
Hangzhou	107,903	98,174	110,048	102,682	217,951	200,856	8.5%
Harbin	404	261	694	601	1,098	862	27.4%
Hong Kong	631,349	635,513	677,651	667,144	1,309,000	1,302,657	0.5%
Kaohsiung	8,773	11,826	8,201	11,686	16,974	23,512	-27.8%
Kunming	20,451	20,221	20,640	19,630	41,091	39,851	3.1%
Macau	143,686	143,918	146,544	146,196	290,230	290,114	0.04%
Nanning	6,652	4,520	6,586	5,692	13,238	10,212	29.6%
Osaka	113,097	60,288	117,786	63,261	230,883	123,549	86.9%
Pyongyang	965	773	1,023	934	1,988	1,707	16.5%
Sapporo Chitose	1,860	1,055	1,998	1,716	3,858	2,771	39.2%
Seoul	280,631	257,906	285,305	261,159	565,936	519,065	9.0%
Shanghai Pu Dong	185,202	187,365	195,972	190,751	381,174	378,116	0.8%
Shantou	128	-	209	-	337	-	-
Shenzhen	99,316	99,953	100,851	101,111	200,167	201,064	-0.4%
Taipei	348,476	327,740	346,808	326,817	695,284	654,557	6.2%
Tianjin	36,000	65,065	36,972	68,052	72,972	133,117	-45.2%
Tokyo	156,506	144,743	161,851	147,778	318,357	292,521	8.8%
Xianyang	-	236	-	585	-	821	-
Wuxi	80	-	-	-	80	-	-
Xianmen	42,944	50,246	44,197	52,165	87,141	102,411	-14.9%
Zhengzhou	1,636	489	12,527	9,781	14,163	10,270	37.9%
Total	2,882,860	2,684,140	2,975,809	2,760,956	5,858,669	5,445,096	7.6%

	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
SOUTHWEST PACIFIC							
Adelaide	66,568	68,061	74,521	68,808	141,089	136,869	3.1%
Auckland	67,735	66,929	71,275	67,744	139,010	134,673	3.2%
Brisbane	50,883	58,803	56,873	56,687	107,756	115,490	-6.7%
Christchurch	24,012	45,154	24,689	42,727	48,701	87,881	-44.6%
Christmas Island	1,869	2,624	1,842	2,517	3,711	5,141	-27.8%
Gold Coast	81,243	92,335	83,162	95,861	164,405	188,196	-12.6%
Koror	-	-	30	-	30	-	-
Melbourne	308,638	342,008	326,467	346,073	635,105	688,081	-7.7%
Perth	226,708	224,790	239,749	225,058	466,457	449,848	3.7%
Port Moresby	-	1,545	-	1,692	-	3,237	-
Sydney	240,885	187,887	265,725	193,555	506,610	381,442	32.8%
Total	1,068,541	1,090,136	1,144,333	1,100,722	2,212,874	2,190,858	1.0%
SOUTH ASIA							
Bangalore	75,400	73,195	78,119	76,249	153,519	149,444	2.7%
Chennai	245,055	230,097	233,451	212,359	478,506	442,456	8.1%
Colombo	206,195	178,663	197,163	155,879	403,358	334,542	20.6%
Delhi	145,255	202,270	140,428	206,209	285,683	408,479	-30.1%
Dhaka	234,149	204,321	211,875	177,055	446,024	381,376	17.0%
Hyderabad	44,046	39,441	43,497	40,427	87,543	79,868	9.6%
Islamabad	-	-	972	-	972	-	-
Karachi	15,300	39,019	15,550	35,603	30,850	74,622	-58.7%
Kathmandu	87,448	37,900	69,693	41,630	157,141	79,530	97.6%
Kochi	48,289	49,610	50,928	51,814	99,217	101,424	-2.2%
Kolkata	20,187	20,305	22,459	21,568	42,646	41,873	1.8%
Lahore	9,000	9,205	7,803	9,568	16,803	18,773	-10.5%
Male	36,230	46,148	35,041	46,968	71,271	93,116	-23.5%
Mumbai	104,169	130,483	93,966	126,460	198,135	256,943	-22.9%
Peshawar	8,153	5,467	8,187	7,565	16,340	13,032	25.4%
Thiruvananthapuram	-	653	-	436	-	1,089	-
Tiruchirapally	58,106	78,035	67,893	90,079	125,999	168,114	-25.1%
Total	1,336,982	1,344,812	1,277,025	1,299,869	2,614,007	2,644,681	-1.2%

INTERNATIONAL
PASSENGER
MOVEMENTS BY
SECTORS AT
**KL INTERNATIONAL
AIRPORT 2012**

	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
CENTRAL ASIA							
Almaty	20,967	15,489	19,985	14,851	40,952	30,340	35.0%
Tashkent	18,937	17,411	20,183	16,691	39,120	34,102	14.7%
Total	39,904	32,900	40,168	31,542	80,072	64,442	24.3%
MIDDLE EAST							
Abu Dhabi	118,535	84,789	125,057	83,297	243,592	168,086	44.9%
Amman	17,333	14,706	18,879	16,487	36,212	31,193	16.1%
Baghdad	2,707	-	2,578	-	5,285	-	-
Bahrain	9,876	60,826	9,724	58,014	19,600	118,840	-83.5%
Beirut	-	294	-	300	-	594	-
Cairo	41,272	16,639	43,822	18,304	85,094	34,943	143.5%
Dammam	284	11,716	169	8,332	453	20,048	-97.7%
Doha	184,168	128,941	174,475	120,970	358,643	249,911	43.5%
Dubai	317,140	308,286	314,070	306,782	631,210	615,068	2.6%
Jeddah	156,283	139,476	155,225	140,020	311,508	279,496	11.5%
Kuwait	10,911	11,259	14,557	15,935	25,468	27,194	-6.3%
Mashad	5,148	2,378	5,139	2,379	10,287	4,757	116.2%
Madinah	21,962	11,276	43,474	22,150	65,436	33,426	95.8%
Muscat	62,769	44,472	64,016	47,671	126,785	92,143	37.6%
Riyadh	52,645	50,102	30,193	28,273	82,838	78,375	5.7%
Sanaa	7,592	5,712	8,534	5,796	16,126	11,508	40.1%
Shiraz	3,015	7,889	3,697	8,085	6,712	15,974	-58.0%
Tehran Imam Khomeini	102,301	113,899	104,251	113,829	206,552	227,728	-9.3%
Total	1,113,941	1,012,660	1,117,860	996,624	2,231,801	2,009,284	11.1%

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

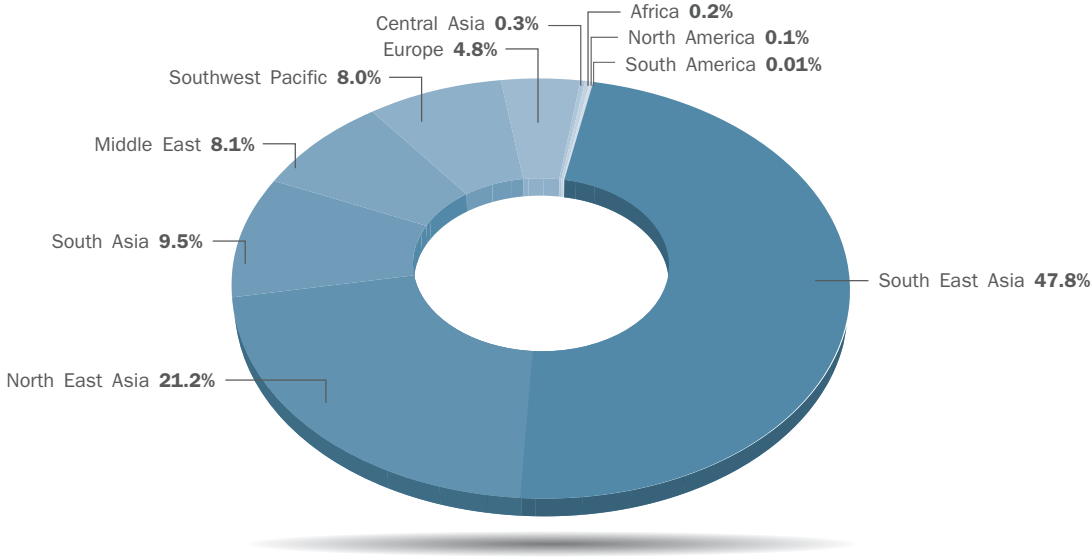
314

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
EUROPE							
Amsterdam	189,274	192,357	200,575	204,519	389,849	396,876	-1.8%
Frankfurt	65,800	70,524	69,762	73,545	135,562	144,069	-5.9%
Istanbul	34,679	33,610	35,964	34,622	70,643	68,232	3.5%
London Gatwick	18,490	11,765	20,642	11,504	39,132	23,269	68.2%
London Heathrow	246,344	214,331	240,083	219,154	486,427	433,485	12.2%
London Stansted	-	61,657	-	71,841	-	133,498	-
Manchester	-	-	78	-	78	-	-
Moscow	1,015	303	1,385	-	2,400	303	692.1%
Paris	85,749	82,653	83,912	84,899	169,661	167,552	1.3%
Paris Orly	12,395	42,188	14,792	45,665	27,187	87,853	-69.1%
Rome	2,885	35,100	2,615	36,545	5,500	71,645	-92.3%
Total	656,631	744,488	669,808	782,294	1,326,439	1,526,782	-13.1%
NORTH AMERICA							
Los Angeles	18,117	13,585	20,398	16,710	38,515	30,295	27.1%
Total	18,117	13,585	20,398	16,710	38,515	30,295	27.1%
SOUTH AMERICA							
Buenos Aires	1,527	17,637	1,136	16,748	2,663	34,385	-92.3%
Total	1,527	17,637	1,136	16,748	2,663	34,385	-92.3%
AFRICA							
Addis Ababa	956	-	1,568	-	2,524	-	-
Cape Town	1,164	12,345	1,421	11,990	2,585	24,335	-89.4%
Harare	35	1,478	27	1,232	62	2,710	-97.7%
Johannesburg	2,639	30,982	2,501	29,640	5,140	60,622	-91.5%
Mauritius	18,648	13,928	20,810	15,688	39,458	29,616	33.2%
Total	23,442	58,733	26,327	58,550	49,769	117,283	-57.6%
Grand Total	13,713,614	12,898,577	13,898,474	13,017,146	27,612,088	25,915,723	6.5%

KL INTERNATIONAL AIRPORT PASSENGER MOVEMENTS BY SECTORS 2012

International Movements: 27,612,088



AIRLINES WITH MORE THAN 1% INTERNATIONAL MARKET SHARE AT KLIA

AIRLINES	PASSENGER MOVEMENTS	MARKET SHARE %
Malaysia Airlines	8,181,432	29.2%
AirAsia	7,218,032	25.8%
AirAsia X	2,482,380	8.9%
Indonesia AirAsia	1,258,293	4.5%
Emirates	814,839	2.9%
Cathay Pacific Airways	711,922	2.5%
Qatar Airways	457,898	1.6%
KLM Royal Dutch Airlines	443,915	1.6%
Silk Air	409,434	1.5%
Thai Airways International	399,741	1.4%

10 HIGHEST GROWTH INTERNATIONAL PERFORMANCE AT KLIA

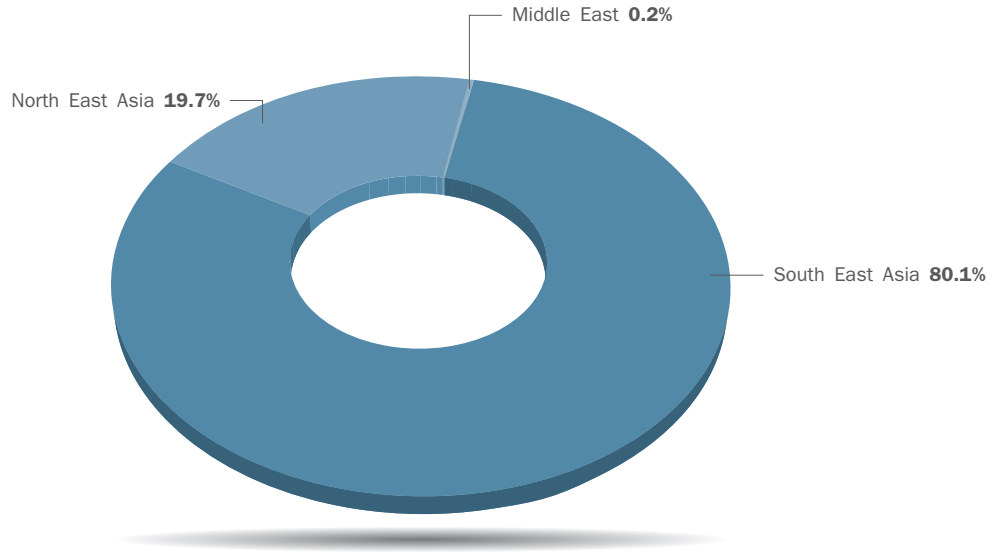
AIRLINES	PASSENGER MOVEMENTS	% Y-O-Y
Transaero	2,400	692.1%
Lion Airlines	268,740	241.1%
Egypt Air	110,125	184.0%
United Airways	86,319	161.5%
Biman Bangladesh Airlines	183,323	70.4%
Etihad Airways	243,734	45.0%
Jetstar Asia	358,978	39.9%
Air Astana	41,844	37.9%
Oman Air	126,785	37.6%
Qatar Airways	457,898	34.6%

DOMESTIC TRAFFIC AT KLIA

AIRLINES	PASSENGER MOVEMENTS	% Y-O-Y
Malaysia Airlines	4,551,652	10.8%
AirAsia	7,349,616	11.6%

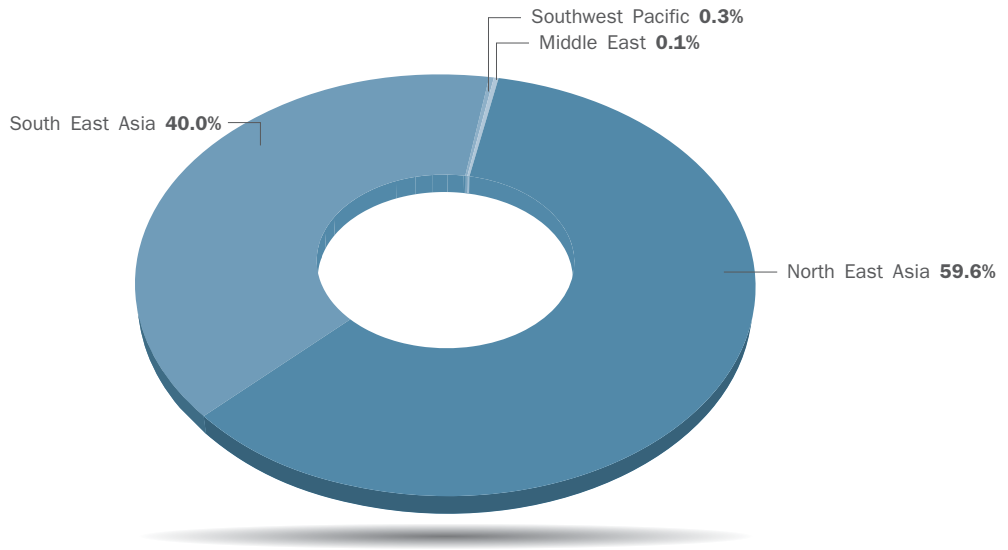
PENANG INTERNATIONAL AIRPORT PASSENGER MOVEMENTS BY SECTORS 2012

International Movements: 2,326,725



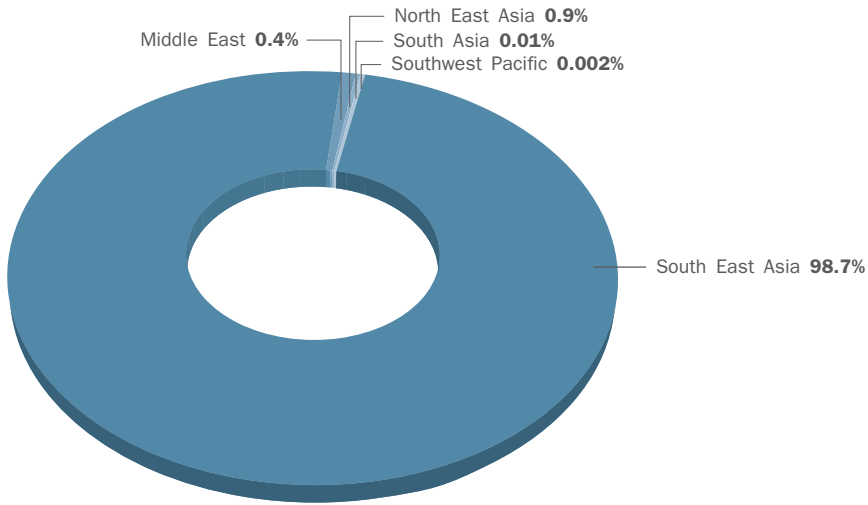
KOTA KINABALU INTERNATIONAL PASSENGER MOVEMENTS BY SECTORS 2012

International Movements: 1,308,271



KUCHING INTERNATIONAL PASSENGER MOVEMENTS BY SECTORS 2012

International Movements: 427,449

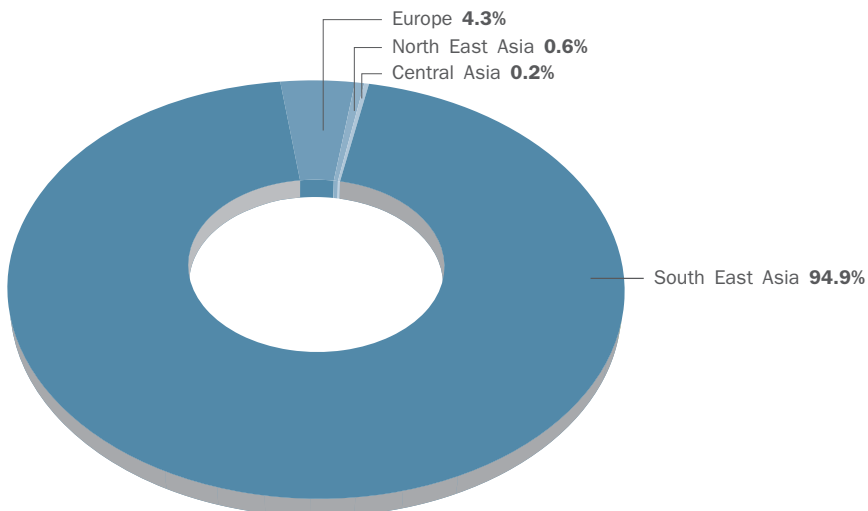


MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

319

LANGKAWI INTERNATIONAL PASSENGER MOVEMENTS BY SECTORS 2012

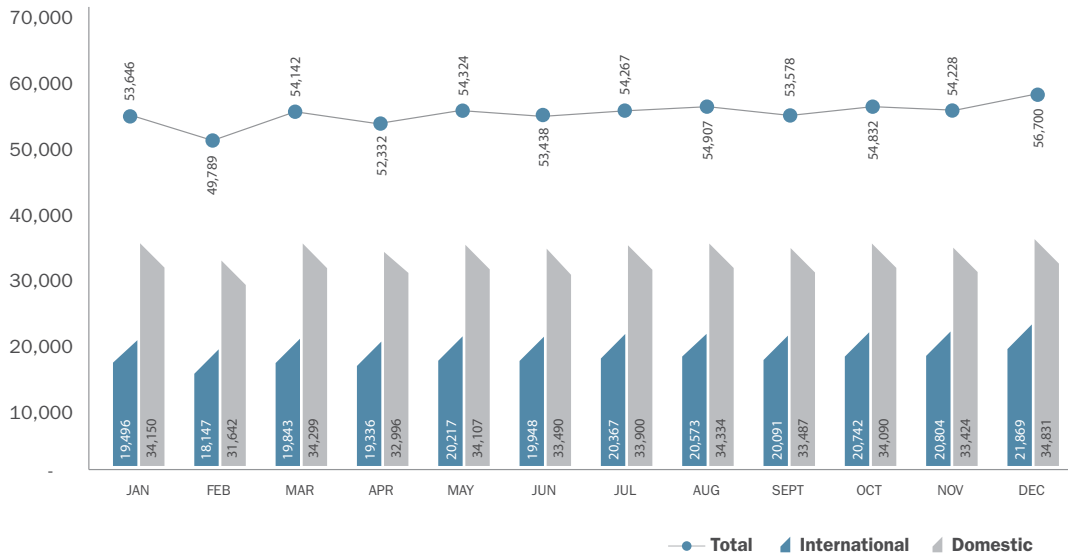
International Movements: 129,021



PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

AIRPORTS	DOMESTIC			INTERNATIONAL			TOTAL		
	Scheduled	Non-scheduled	Total	Scheduled	Non-scheduled	Total	2012	2011	% +/-
KLIA	96,509	645	97,154	183,507	1,629	185,136	282,290	268,265	5.2%
Penang	26,427	0	26,427	23,539	0	23,539	49,966	50,610	-1.3%
Kota Kinabalu	45,202	1,118	46,320	11,936	110	12,046	58,366	59,638	-2.1%
Kuching	34,987	3,338	38,325	5,411	245	5,656	43,981	49,613	-11.4%
Langkawi	14,067	0	14,067	1,076	19	1,095	15,162	14,510	4.5%
Kota Bharu	14,395	2,552	16,947	165	0	165	17,112	15,304	11.8%
Ipoh	25	3	28	1,487	0	1,487	1,515	1,536	-1.4%
Kuala Terengganu	6,491	0	6,491	0	15	15	6,506	6,006	8.3%
Alor Setar	5,274	0	5,274	0	0	0	5,274	4,841	8.9%
Melaka	198	0	198	855	0	855	1,053	466	126.0%
Subang	25,164	0	25,164	8,060	0	8,060	33,224	30,779	7.9%
Kuantan	2,800	0	2,800	539	56	595	3,395	3,178	6.8%
Tioman	1,150	0	1,150	532	0	532	1,682	1,766	-4.8%
Pangkor	324	0	324	0	0	0	324	32	912.5%
Redang	565	0	565	312	0	312	877	1,319	-33.5%
Labuan	9,445	3,791	13,236	211	1	212	13,448	12,645	6.4%
Lahad Datu	3,022	36	3,058	0	0	0	3,058	2,941	4.0%
Sandakan	10,338	1,801	12,139	0	38	38	12,177	10,757	13.2%
Tawau	9,179	27	9,206	479	4	483	9,689	9,328	3.9%
Bintulu	10,302	1,076	11,378	0	66	66	11,444	11,270	1.5%
Miri	30,998	10,212	41,210	1,141	0	1,141	42,351	40,931	3.5%
Sibu	15,923	0	15,923	0	0	0	15,923	18,211	-12.6%
Mulu	1,760	0	1,760	0	0	0	1,760	1,912	-7.9%
Limbang	1,880	0	1,880	0	0	0	1,880	1,896	-0.8%
STOL Sabah	192	0	192	0	0	0	192	264	-27.3%
STOL Sarawak	13,931	0	13,534	0	0	0	13,534	14,118	-1.3%
Peninsular Malaysia	193,389	3,200	196,589	220,072	1,719	221,791	418,380	398,612	5.0%
Sabah	77,378	6,773	84,151	12,626	153	12,779	96,930	95,573	1.4%
Sarawak	109,781	14,626	124,010	6,552	311	6,863	130,873	137,951	-4.8%
Total 2012	380,548	24,599	404,750	239,250	2,183	241,433	646,183	632,136	2.2%
Total 2011	378,435	26,187	404,622	225,906	1,608	227,514	632,136		
% change	0.6%	-6.1%	0.03%	5.9%	35.8%	6.1%	2.2%		

COMMERCIAL AIRCRAFT MOVEMENTS AT MAHB AIRPORTS 2012

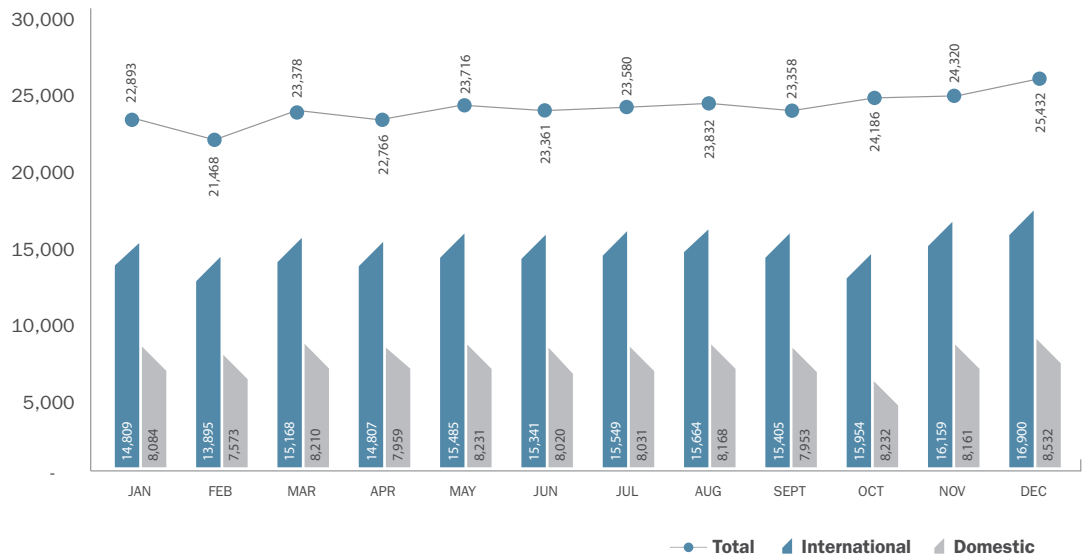


COMMERCIAL
AIRCRAFT
MOVEMENTS AT
KL INTERNATIONAL
AIRPORT 2012

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

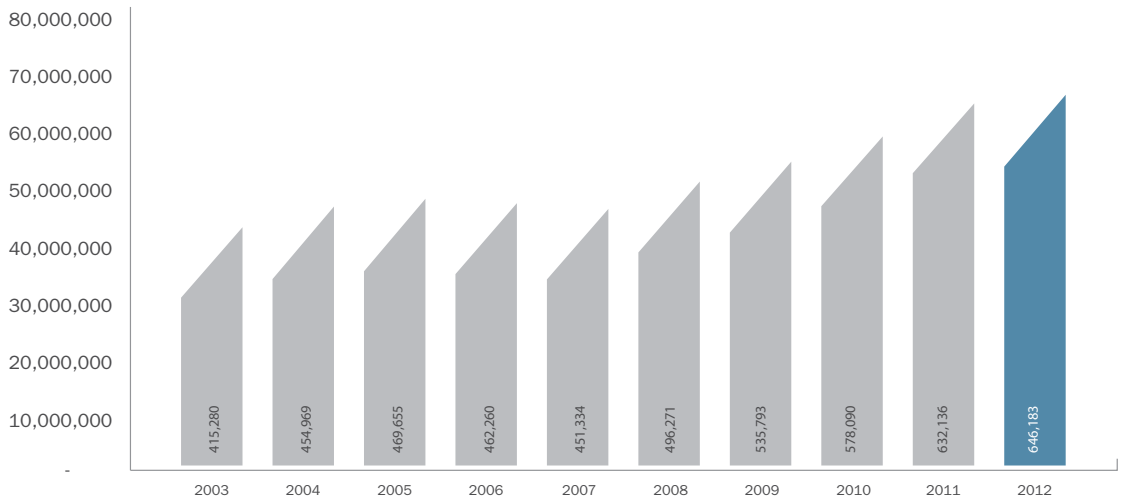
322

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC



AIRPORTS	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	% + /-
KLIA	139,101	164,483	181,341	182,548	192,304	209,681	225,251	244,179	268,265	282,290	5.2%
Penang	26,516	29,182	31,173	31,448	34,508	38,335	38,343	44,753	50,610	49,966	-1.3%
Kota Kinabalu	42,491	50,313	49,680	50,594	49,881	52,463	52,677	55,089	59,638	58,366	-2.1%
Kuching	38,676	41,353	39,430	37,167	34,192	36,087	41,437	42,940	49,613	43,981	-11.4%
Langkawi	7,168	7,352	8,021	8,287	10,828	12,242	12,638	13,274	14,510	15,162	4.5%
Johor Bahru	8,848	-	-	-	-	-	-	-	-	-	-
Kota Bharu	7,520	8,888	8,765	10,368	13,074	14,083	13,709	13,180	15,304	17,112	11.8%
Ipoh	1,572	1,402	1,145	954	12	183	384	844	1,536	1,515	-1.4%
Kuala Terengganu	4,221	4,776	4,623	3,792	4,533	6,038	6,006	5,959	6,006	6,506	8.3%
Alor Setar	3,646	3,568	3,267	2,820	2,668	2,934	4,578	4,513	4,841	5,274	8.9%
Melaka	1,102	2,135	1,328	596	714	700	616	584	466	1,053	126.0%
Subang	5,140	6,981	8,988	9,158	7,234	11,448	19,897	24,509	30,779	33,224	7.9%
Kuantan	3,743	3,748	3,500	2,748	3,253	3,334	2,947	2,628	3,178	3,395	6.8%
Tioman	2,173	1,885	1,668	1,836	1,597	1,603	1,591	1,662	1,766	1,682	-4.8%
Pangkor	511	534	530	514	517	503	502	174	32	324	912.5%
Redang	-	741	1,110	934	1,053	1,083	862	1,356	1,319	877	-33.5%
Labuan	9,661	10,450	9,292	9,332	10,127	11,212	10,868	11,988	12,645	13,448	6.4%
Lahad Datu	2,882	2,948	3,010	3,203	2,195	2,922	2,922	2,860	2,941	3,058	4.0%
Sandakan	9,985	10,184	10,876	10,034	7,719	8,991	10,214	12,095	10,757	12,177	13.2%
Tawau	7,450	8,019	8,531	8,005	6,863	7,334	8,885	9,723	9,328	9,689	3.9%
Bintulu	13,288	13,240	13,146	11,388	6,542	8,933	10,948	10,994	11,270	11,444	1.5%
Miri	40,468	42,306	40,302	39,462	33,022	35,178	38,836	39,509	40,931	42,351	3.5%
Sibu	16,593	17,162	16,683	15,092	11,765	14,307	16,275	17,899	18,211	15,923	-12.6%
Mulu	3,422	3,066	2,620	2,220	1,638	1,642	1,570	1,726	1,912	1,760	-7.9%
Limbang	4,994	5,625	5,490	4,242	2,300	1,860	1,697	1,947	1,896	1,880	-0.8%
STOL Sabah	936	812	814	800	338	459	0	167	264	192	-27.3%
STOL Sarawak	13,173	13,816	14,322	14,718	12,457	12,716	12,140	13,538	14,118	13,534	-4.1%
Peninsular Malaysia	211,261	235,675	255,459	256,003	272,295	302,167	327,324	357,615	398,612	418,380	5.0%
Sabah	73,405	82,726	82,203	81,968	77,123	83,381	85,566	91,922	95,573	96,930	1.4%
Sarawak	130,614	136,568	131,993	124,289	101,916	110,723	122,903	128,553	137,951	130,873	-5.1%
Total	415,280	454,969	469,655	462,260	451,334	496,271	535,793	578,090	632,136	646,183	2.2%
% change	0.7%	9.6%	3.2%	-1.6%	-2.4%	10.0%	8.0%	7.9%	9.3%	2.2%	

COMMERCIAL AIRCRAFT MOVEMENTS AT MAHB AIRPORTS (2003 - 2012)

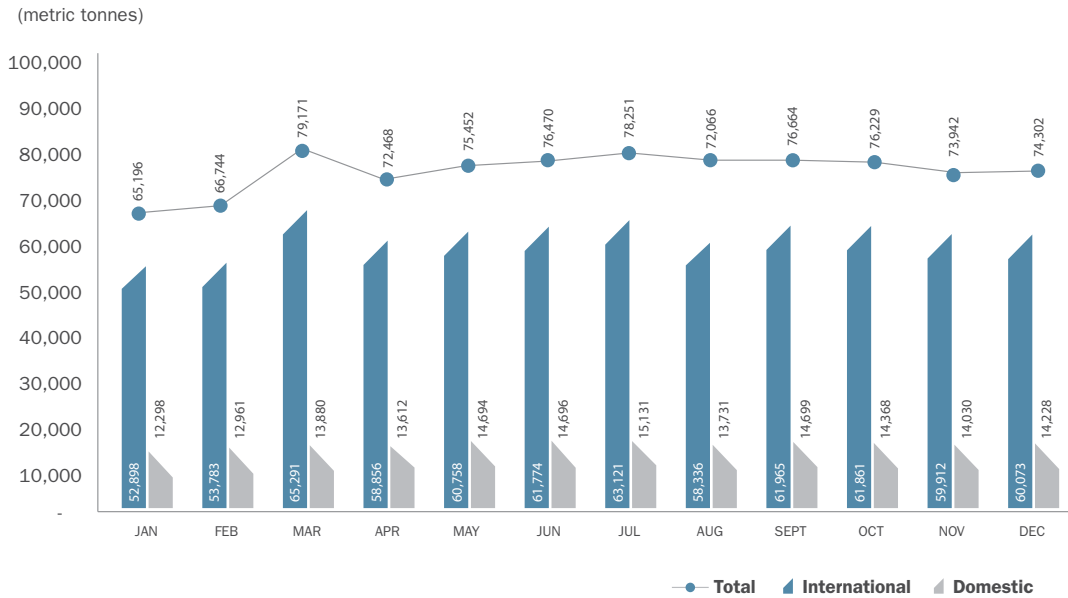


AIRPORTS	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	% + /-
KLIA	139,947	165,115	182,537	183,869	193,710	211,228	226,751	245,650	269,509	283,352	5.1%
Penang	30,558	33,069	34,616	36,259	39,265	43,796	43,621	50,205	54,713	53,766	-1.7%
Kota Kinabalu	44,748	52,352	51,824	52,055	52,047	54,317	53,554	55,241	59,638	58,366	-2.1%
Kuching	42,138	45,340	43,253	40,292	37,348	39,188	44,761	46,382	53,154	46,727	-12.1%
Langkawi	8,913	8,711	8,964	27,622	43,234	41,837	39,815	33,064	31,482	33,056	5.0%
Johor Bahru	22,253	-	-	-	-	-	-	-	-	-	-
Kota Bharu	10,010	11,869	11,194	38,352	58,996	57,102	74,863	75,906	64,114	50,991	-20.5%
Ipoh	8,505	7,075	26,657	30,626	32,462	2,183	40,883	41,069	29,074	26,929	-7.4%
Kuala Terengganu	5,508	5,834	5,622	3,792	8,781	10,045	9,875	10,959	14,296	12,809	-10.4%
Alor Star	18,318	14,784	17,632	18,495	20,277	17,705	24,031	22,187	19,621	18,006	-8.2%
Melaka	57,636	70,369	77,504	74,888	64,936	60,512	54,160	60,811	53,702	48,881	-9.0%
Subang	19,616	22,757	29,668	36,626	44,302	46,989	55,148	63,616	68,135	74,008	8.6%
Kuantan	4,054	4,088	3,757	2,973	3,487	3,551	3,110	2,802	3,452	3,613	4.7%
Tioman	2,633	2,447	2,146	2,256	1,989	2,141	2,180	2,167	2,222	2,205	-0.8%
Pangkor	657	698	752	541	589	545	502	174	32	324	912.5%
Redang	0	741	1,121	934	1,053	1,083	862	1,356	1,319	877	-33.5%
Labuan	9,896	10,668	9,510	9,554	10,349	11,328	11,045	12,093	12,762	13,589	6.5%
Lahad Datu	3,035	3,055	3,160	3,376	2,336	3,012	3,077	2,960	3,024	3,147	4.1%
Sandakan	10,588	10,823	11,662	10,776	8,410	9,622	12,915	13,517	11,715	13,153	12.3%
Tawau	8,368	8,900	9,814	9,215	7,992	8,546	9,876	10,845	10,186	11,087	8.8%
Bintulu	13,627	13,546	13,619	11,804	7,093	16,787	51,009	24,246	17,122	12,294	-28.2%
Miri	43,460	45,269	42,865	42,680	35,502	38,172	41,996	41,682	43,707	45,127	3.2%
Sibu	16,885	17,650	17,330	15,638	12,536	14,672	17,449	18,985	19,169	15,923	-16.9%
Mulu	3,524	3,122	2,642	2,220	1,660	1,664	1,592	1,444	1,920	1,780	-7.3%
Limbang	5,046	5,691	5,568	4,366	2,552	2,112	1,949	2,171	1,968	1,880	-4.5%
STOL Sabah	938	812	814	800	338	459	0	559	278	212	-23.7%
STOL Sarawak	13,305	13,838	14,394	14,854	12,719	12,978	12,140	13,538	14,262	13,630	-4.4%
Peninsular Malaysia	328,608	347,557	402,170	457,233	513,081	498,717	575,801	609,966	611,671	608,817	-0.5%
Sabah	77,573	86,610	86,784	85,776	81,472	87,284	90,467	95,215	97,603	99,554	2.0%
Sarawak	137,985	144,456	139,671	131,854	109,410	125,573	170,896	148,448	151,302	137,361	-9.2%
Total	544,166	578,623	628,625	674,863	703,963	711,574	837,164	853,629	860,576	845,732	-1.7%
% change	1.4%	6.3%	8.6%	7.4%	4.3%	1.1%	17.6%	2.0%	0.8%	-1.7%	

AIRPORTS (kg)	DOMESTIC			INTERNATIONAL			TOTAL			TRANSIT		
	Arrival	Departure	Total	Arrival	Departure	Total	2012*	2011*	% +/-	Domestic	Int'l	Total
KLIA	21,546,015	46,288,350	67,834,365	306,124,686	299,148,350	605,273,036	673,107,401	669,849,025	0.5%	-	-	-
Penang	15,597,376	7,834,717	23,432,093	36,878,407	53,294,619	90,173,026	123,245,880	131,845,600	-6.5%	3,519,496	6,121,265	9,640,761
Kota Kinabalu	12,991,263	7,889,559	20,880,822	689,298	1,812,370	2,501,668	23,563,295	28,534,048	-17.4%	62,237	118,568	180,805
Kuching	9,939,108	5,049,936	14,989,043	512,158	223,088	735,246	15,810,854	24,786,619	-36.2%	81,180	5,385	86,565
Langkawi	624,421	30,835	655,256	40,618	-	40,618	753,624	645,777	16.7%	57,750	-	57,750
Kota Bharu	91,804	55,372	147,176	-	-	-	147,176	164,256	-10.4%	-	-	-
Kuala Terengganu	69,928	76,603	146,531	-	-	-	146,531	103,365	41.8%	-	-	-
Alor Star	11,952	111,378	123,330	-	-	-	123,330	46,391	165.8%	-	-	-
Melaka	8,925	11,579	20,504	75,353	99,520	174,873	195,377	138,955	40.6%	-	-	-
Subang	3,841,801	8,035,480	11,877,281	4,799,282	6,003,880	10,803,162	22,680,444	19,927,599	13.8%	-	-	-
Kuantan	36,000	16,614	52,614	1,720	2,280	4,000	56,614	37,627	50.5%	-	-	-
Ipoh	-	-	-	16,830	17,020	33,850	33,850	-	-	-	-	-
Tioman	72,374	-	72,374	600	-	600	72,974	-	-	-	-	-
Pangkor	2,264	2,987	5,251	-	-	-	5,251	-	-	-	-	-
Redang	26,540	591	27,131	180	100	280	27,411	-	-	-	-	-
Labuan	1,882,235	1,357,851	3,240,086	2,564,206	8,098	2,572,304	6,071,622	5,294,125	14.7%	259,232	-	259,232
Lahad Datu	173,178	11,417	184,595	-	-	-	184,595	41,829	341.3%	-	-	-
Sandakan	671,946	1,797,616	2,469,562	-	-	-	2,478,975	2,300,108	7.8%	9,413	-	9,413
Tawau	796,355	1,689,373	2,485,728	-	3,261	3,261	2,488,989	3,198,421	-22.2%	-	-	-
Bintulu	1,618,099	952,984	2,571,083	-	-	-	2,574,046	2,071,369	24.3%	2,963	-	2,963
Miri	7,086,932	2,725,727	9,812,658	62,051	4,381	66,432	9,879,090	8,198,437	20.5%	-	-	-
Sibu	1,354,721	241,735	1,596,456	-	-	-	1,611,675	1,152,885	39.8%	15,219	-	15,219
Mulu	317,293	4,406	321,699	-	-	-	321,699	370,159	-13.1%	-	-	-
Limbang	379,111	365,030	744,141	-	-	-	744,141	497,583	49.6%	-	-	-
STOL Sabah	-	3	3	-	-	-	3	13	-76.9%	-	-	-
STOL Sarawak	298,572	212,358	510,930	-	-	-	630,466	622,370	1.3%	119,536	-	119,536
Peninsular Malaysia	41,929,400	62,464,506	104,393,906	347,937,676	358,565,769	706,503,445	820,595,862	822,758,596	-0.3%	3,577,246	6,121,265	9,698,511
Sabah	16,514,977	12,745,819	29,260,796	3,253,504	1,823,729	5,077,233	34,787,479	39,368,544	-11.6%	330,882	118,568	449,450
Sarawak	20,993,835	9,552,175	30,546,011	574,209	227,469	801,678	31,571,972	37,699,422	-16.3%	218,898	5,385	224,283
Total 2012	79,438,212	84,762,501	164,200,713	351,765,389	360,616,967	712,382,356	886,955,313	899,826,561	-1.4%	4,127,026	6,245,218	10,372,244
Total 2011	85,824,047	80,722,029	166,546,077	347,634,864	374,117,943	721,752,807	899,826,561			4,694,294	6,833,383	11,527,677
% change	-7.4%	5.0%	-1.4%	1.2%	-3.6%	-1.3%	-1.4%			-12.1%	-8.6%	-10.0%

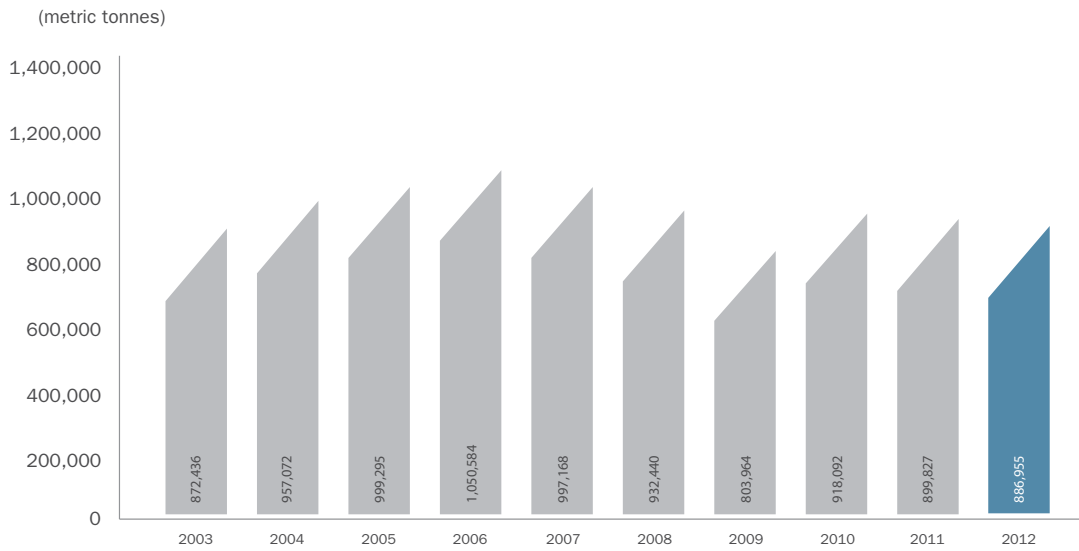
* Including transit cargo

CARGO MOVEMENTS AT MAHB AIRPORTS 2012



AIRPORTS (Metric tonnes)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	% +/-
KLIA	586,195	651,747	653,654	672,888	644,100	649,077	584,559	674,902	669,849	673,107	0.5%
Penang	197,567	212,369	221,971	225,952	208,582	192,936	137,775	147,057	131,846	123,246	-6.5%
Kota Kinabalu	25,638	27,191	25,473	28,356	35,638	34,532	25,079	26,733	28,534	23,563	-17.4%
Kuching	26,278	26,073	28,407	29,716	23,818	19,166	20,830	26,977	24,787	15,811	-36.2%
Langkawi	287	325	449	487	524	589	572	434	646	754	16.7%
Johor Bahru	3,697	-	-	-	-	-	-	-	-	-	-
Kota Bharu	315	235	168	210	163	181	185	177	164	147	-10.4%
Kuala Terengganu	160	124	94	70	47	24	24	50	103	147	41.8%
Alor Setar	17	67	118	111	55	41	34	34	46	123	165.8%
Melaka	214	602	370	146	219	179	127	144	139	195	40.6%
Subang	14,358	18,670	46,082	71,953	63,382	18,473	18,536	19,988	19,928	22,680	13.8%
Kuantan	64	64	75	109	103	70	70	49	38	57	50.5%
Ipoh	498	735	437	357	10	-	-	-	-	34	-
Tioman	-	-	-	-	-	-	-	-	-	73	-
Pangkor	-	-	-	-	-	-	-	-	-	5	-
Redang	-	-	-	-	-	-	-	-	-	27	-
Labuan	2,733	2,653	3,077	3,207	3,985	4,566	4,165	4,592	5,294	6,072	14.7%
Lahad Datu	400	390	334	170	-	-	-	-	42	185	341.3%
Sandakan	3,713	4,053	4,531	5,475	6,224	3,055	2,099	2,806	2,300	2,479	7.8%
Tawau	2,701	2,968	3,885	3,030	2,134	1,262	1,951	3,045	3,198	2,489	-22.2%
Bintulu	940	1,375	2,110	2,205	2,252	1,978	1,903	1,703	2,071	2,574	24.3%
Miri	3,881	4,721	5,392	4,080	3,564	4,146	3,921	6,770	8,198	9,879	20.5%
Sibu	1,701	1,567	1,377	1,040	892	735	856	1,133	1,153	1,612	39.8%
Mulu	4	102	459	240	191	262	346	396	370	322	-13.1%
Limbang	226	179	289	379	440	475	530	560	498	744	49.6%
STOL Sabah	2	2	1	1	0	-	-	-	0	0	-
STOL Sarawak	847	862	540	403	845	692	402	543	622	630	1.3%
Peninsular Malaysia	803,372	884,937	923,419	972,283	917,186	861,570	741,881	842,836	822,759	820,596	-0.3%
Sabah	35,187	37,257	37,301	40,238	47,982	43,415	33,294	37,175	39,369	34,787	-11.6%
Sarawak	33,876	34,878	38,575	38,062	32,001	27,454	28,789	38,081	37,699	31,572	-16.3%
Grand Total	872,436	957,072	999,295	1,050,584	997,168	932,440	803,964	918,092	899,827	886,955	-1.4%
% change	6.7%	9.7%	4.4%	5.1%	-5.1%	-6.5%	-13.8%	14.2%	-2.0%	-1.4%	

CARGO MOVEMENTS AT MAHB AIRPORTS (2003 – 2012)



MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

329

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

CARGO
MOVEMENTS AT
KL INTERNATIONAL
AIRPORT 2012

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

330

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

(metric tonnes)



(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
SOUTH EAST ASIA							
Balikpapan	39,355	53,806	14,816	7,122	54,171	60,928	-11.1%
Banda Aceh	587	1,986	2,158	1,215	2,745	3,201	-14.2%
Bandar Seri Begawan	162,376	82,496	1,503,735	1,254,297	1,666,111	1,336,793	24.6%
Bandung	37,549	12,988	131,587	132	169,136	13,120	1189.1%
Bangkok	14,101,518	12,788,199	10,568,058	11,305,899	24,669,576	24,094,098	2.4%
Cebu	502	-	427	-	929	-	-
Chiang Mai	-	-	87,363	17,619	87,363	17,619	395.8%
Clark Field	107,040	7,659	65,204	37,707	172,244	45,366	279.7%
Da Nang	29,603	-	221	-	29,824	-	-
Denpasar Bali	1,303,099	1,226,124	619,167	962,147	1,922,266	2,188,271	-12.2%
Don Mueang	148,859	-	28,346	-	177,205	-	-
Hanoi	1,099,187	1,687,537	1,823,282	2,574,235	2,922,469	4,261,772	-31.4%
Ho Chi Minh City	3,639,548	3,375,454	3,650,636	2,670,740	7,290,184	6,046,194	20.6%
Jakarta	17,996,177	15,105,780	8,936,460	7,841,520	26,932,637	22,947,300	17.4%
Koh Samui	5,932	-	22	-	5,954	-	-
Lombok	4,671	-	-	-	4,671	-	-
Manila	1,156,314	1,673,494	3,046,663	1,670,079	4,202,977	3,343,573	25.7%
Mataram	-	-	-	144	-	144	-
Medan	1,294,566	1,649,868	1,044,856	833,636	2,339,422	2,483,504	-5.8%
Padang	172,428	268,184	4,728	2,396	177,156	270,580	-34.5%
Palembang	17,085	19,778	295,251	66,375	312,336	86,153	262.5%
Pekan Baru	3,474	21,586	11,172	7,973	14,646	29,559	-50.5%
Phnom Penh	2,503,946	1,039,405	2,371,132	1,219,269	4,875,078	2,258,674	115.8%
Phuket	16,529	21,598	270,704	222,396	287,233	243,994	17.7%
Semarang	243,349	-	3,923	-	247,272	-	-
Siem Reap	29,908	3,619	69,428	27,402	99,336	31,021	220.2%
Singapore	12,103,400	13,427,048	11,158,878	11,813,736	23,262,278	25,240,784	-7.8%
Solo City	40,904	87,737	5,628	4,497	46,532	92,234	-49.6%
Surabaya	679,032	1,134,153	610,496	971,484	1,289,528	2,105,637	-38.8%
Ujung Pandang	670,984	651,435	21,648	1,314	692,632	652,749	6.1%
Vientiane	-	28	162,038	131,573	162,038	131,601	23.1%
Yangon	1,042,383	710,406	1,203,258	906,626	2,245,641	1,617,032	38.9%
Yogyakarta	326,898	231,973	20,701	15,293	347,599	247,266	40.6%
Total	58,977,203	55,282,341	47,731,986	44,566,826	106,709,189	99,849,167	6.9%

INTERNATIONAL
CARGO MOVEMENTS
BY SECTORS AT
**KL INTERNATIONAL
AIRPORT 2012**

(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
NORTH EAST ASIA							
Beijing	7,447,946	4,235,489	3,180,517	3,507,346	10,628,463	7,742,835	37.3%
Chengdu	673,282	582,303	426,736	358,824	1,100,018	941,127	16.9%
Fuzhou	73,820	120,381	610	13,018	74,430	133,399	-44.2%
Guangzhou	15,244,006	15,666,026	6,240,867	6,861,162	21,484,873	22,527,188	-4.6%
Guilin	24,515	3,730	12,715	10,711	37,230	14,441	157.8%
Haikou	-	2,288	-	2,467	-	4,755	-
Haneda	1,400,393	5,881,497	519,196	842,177	1,919,589	6,723,674	-71.5%
Hangzhou	3,841,642	3,879,701	51,405	99,330	3,893,047	3,979,031	-2.2%
Hong Kong	34,622,674	30,898,284	20,393,266	21,811,697	55,015,940	52,709,981	4.4%
Kaohsiung	48,108	190,462	8,394	67,160	56,502	257,622	-78.1%
Kunming	262,135	301,057	55,591	42,544	317,726	343,601	-7.5%
Macau	1,126,266	621,599	100,473	86,538	1,226,739	708,137	73.2%
Nanning	-	607	-	1,772	-	2,379	-
Osaka	4,272,557	3,424,037	5,652,358	4,376,707	9,924,915	7,800,744	27.2%
Pyongyang	1,072	-	425	-	1,497	-	-
Sapporo Chitose	-	-	-	96	-	96	-
Seoul	17,668,470	22,002,784	15,945,377	18,044,210	33,613,847	40,046,994	-16.1%
Shanghai Pu Dong	19,658,697	18,167,311	12,490,983	14,815,281	32,149,680	32,982,592	-2.5%
Shenzhen	4,146,538	3,439,836	507,016	541,349	4,653,554	3,981,185	16.9%
Taipei	16,071,686	15,268,780	12,468,659	17,618,229	28,540,345	32,887,009	-13.2%
Tianjin	447,254	837,686	266,948	733,387	714,202	1,571,073	-54.5%
Tokyo	6,990,979	4,476,621	11,592,427	11,841,362	18,583,406	16,317,983	13.9%
Wuxi	1,545	-	-	-	1,545	-	-
Xianmen	2,287,022	2,080,287	1,206,424	1,471,594	3,493,446	3,551,881	-1.6%
Zhengzhou	-	-	2,146	1,802	2,146	1,802	19.1%
Total	136,310,607	132,080,766	91,122,533	103,148,763	227,433,140	235,229,529	-3.3%

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

332

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
SOUTHWEST PACIFIC							
Adelaide	1,710,708	961,691	2,989,674	2,299,638	4,700,382	3,261,329	44.1%
Auckland	2,497,639	1,990,389	3,083,877	2,978,036	5,581,516	4,968,425	12.3%
Avalon	292,920	1,075	372,070	-	664,990	1,075	61759.5%
Brisbane	1,488,058	1,211,151	3,080,676	2,415,061	4,568,734	3,626,212	26.0%
Christchurch	134,191	142,275	95,299	108,036	229,490	250,311	-8.3%
Christmas Island	-	5,240	38,186	178,722	38,186	183,962	-79.2%
Gold Coast	135,730	268,182	1,387,707	2,998,756	1,523,437	3,266,938	-53.4%
Melbourne	6,313,987	6,883,872	13,121,331	13,397,405	19,435,318	20,281,277	-4.2%
Perth	2,874,469	2,032,714	7,855,180	6,357,882	10,729,649	8,390,596	27.9%
Port Moresby	-	3,536	48,111	17,770	48,111	21,306	125.8%
Sydney	4,778,915	3,822,557	18,338,690	13,884,544	23,117,605	17,707,101	30.6%
Total	20,226,617	17,322,682	50,410,801	44,635,850	70,637,418	61,958,532	14.0%
SOUTH ASIA							
Bangalore	1,012,719	966,238	779,179	897,477	1,791,898	1,863,715	-3.9%
Chennai	6,221,262	6,486,528	5,533,271	4,847,155	11,754,533	11,333,683	3.7%
Colombo	2,983,370	2,046,992	1,964,936	1,950,481	4,948,306	3,997,473	23.8%
Delhi	4,720,837	5,880,048	5,079,056	7,314,370	9,799,893	13,194,418	-25.7%
Dhaka	6,865,324	5,962,776	4,851,422	5,005,714	11,716,746	10,968,490	6.8%
Hyderabad	762,781	898,206	410,399	458,596	1,173,180	1,356,802	-13.5%
Islamabad	-	-	9,535	-	9,535	-	-
Karachi	351,573	1,464,969	362,999	1,159,408	714,572	2,624,377	-72.8%
Kathmandu	462,872	225,792	49,611	829	512,483	226,621	126.1%
Kochi	242,375	247,829	99,911	109,589	342,286	357,418	-4.2%
Kolkata	334,942	267,865	178,564	181,387	513,506	449,252	14.3%
Lahore	170,266	108,644	55,934	48,988	226,200	157,632	43.5%
Male	242,133	303,824	717,030	829,251	959,163	1,133,075	-15.3%
Mumbai	4,998,272	5,495,665	3,664,352	5,104,231	8,662,624	10,599,896	-18.3%
Peshawar	77,426	12,246	13,401	15,217	90,827	27,463	230.7%
Thiruvananthapuram	-	6,140	-	956	-	7,096	-
Tiruchirapally	478,006	525,775	3,045	4,268	481,051	530,043	-9.2%
Total	29,924,158	30,899,537	23,772,645	27,927,917	53,696,803	58,827,454	-8.7%

INTERNATIONAL
CARGO MOVEMENTS
BY SECTORS AT
**KL INTERNATIONAL
AIRPORT 2012**

(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
CENTRAL ASIA							
Almaty	9,099	5,773	480,568	552,744	489,667	558,517	-12.3%
Baku Heydar Aliyev	-	-	1,820	-	1,820	-	-
Tashkent	16,507	24,614	458,731	986,582	475,238	1,011,196	-53.0%
Total	25,606	30,387	941,119	1,539,326	966,725	1,569,713	-38.4%
MIDDLE EAST							
Abu Dhabi	3,685,154	2,387,775	3,988,432	2,889,641	7,673,586	5,277,416	45.4%
Amman	146,602	32,392	426,044	216,425	572,646	248,817	130.1%
Baghdad	-	-	4,290	-	4,290	-	-
Bahrain	138,027	649,931	502,623	2,610,355	640,650	3,260,286	-80.3%
Beirut	-	13,074	-	12,938	-	26,012	-
Cairo	465,191	268,132	506,063	202,430	971,254	470,562	106.4%
Dammam	-	168	8,806	220,711	8,806	220,879	-96.0%
Doha	4,596,086	3,741,502	7,624,641	5,845,177	12,220,727	9,586,679	27.5%
Dubai	5,251,559	5,195,457	9,092,477	11,712,033	14,344,036	16,907,490	-15.2%
Jeddah	1,267,298	926,546	2,651,903	2,989,044	3,919,201	3,915,590	0.1%
Kuwait	50,966	83,793	976,242	686,984	1,027,208	770,777	33.3%
Madinah	-	33,589	2,278	7,798	2,278	41,387	-94.5%
Mashad	14,030	1,003	2,036	1,022	16,066	2,025	693.4%
Muscat	2,292,337	1,184,445	3,015,605	2,427,067	5,307,942	3,611,512	47.0%
Riyadh	186,644	85,371	787,994	669,262	974,638	754,633	29.2%
Riyan Mukalla	341	995	-	-	341	995	-65.7%
Sanaa	54,675	30,348	129,214	61,719	183,889	92,067	99.7%
Sharjah	158,432	165,658	378,590	19,169	537,022	184,827	190.6%
Shiraz	18,121	3,117	31,975	31,083	50,096	34,200	46.5%
Tehran Imam Khomeini	231,161	158,873	1,710,749	1,837,572	1,941,910	1,996,445	-2.7%
Total	18,556,624	14,962,169	31,839,962	32,440,430	50,396,586	47,402,599	6.3%

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

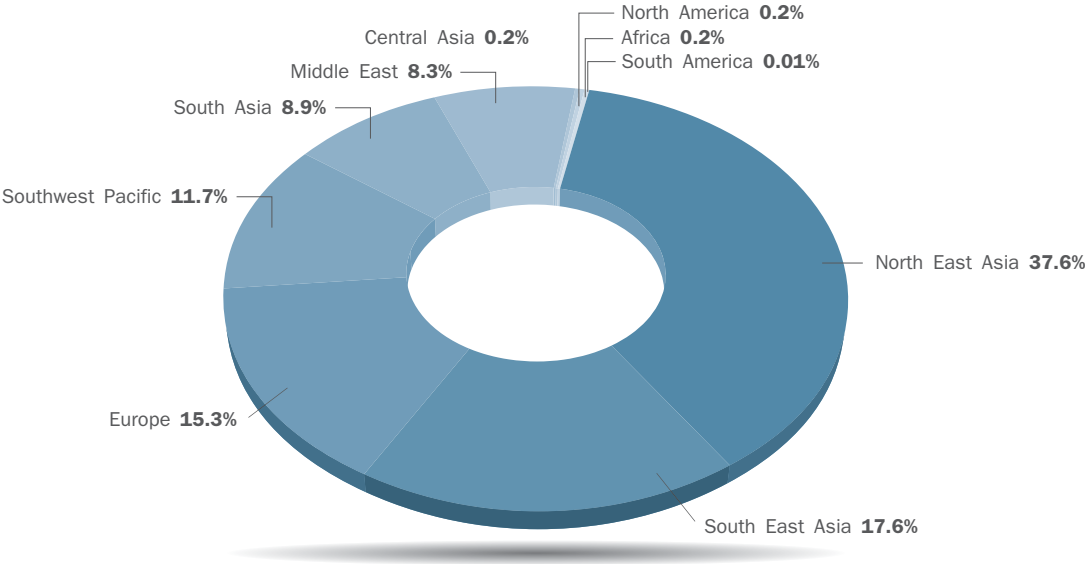
334

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
EUROPE							
Amsterdam	15,054,744	11,298,033	18,642,932	16,741,154	33,697,676	28,039,187	20.2%
Basel	-	1,563,806	-	125,309	-	1,689,115	-
Erzurum	-	-	-	97,240	-	97,240	-
Frankfurt	12,918,108	15,270,561	14,102,491	13,365,289	27,020,599	28,635,850	-5.6%
Istanbul	1,806,678	1,700,699	1,721,343	1,510,172	3,528,021	3,210,871	9.9%
London Gatwick	355,459	304,918	299,612	261,485	655,071	566,403	15.7%
London Heathrow	3,991,284	3,785,626	7,378,873	6,726,135	11,370,157	10,511,761	8.2%
London Stansted	-	1,788,768	-	1,813,437	-	3,602,205	-
Luxembourg	2,532,788	2,516,176	5,643,995	4,835,287	8,176,783	7,351,463	11.2%
Maastricht	-	15,052	-	-	-	15,052	-
Moscow	1,909	-	10,109	-	12,018	-	-
Nottingham	56,855	-	-	-	56,855	-	-
Paris	3,634,394	3,714,892	3,795,663	3,775,888	7,430,057	7,490,780	-0.8%
Paris Orly	609,754	2,145,561	121,233	725,791	730,987	2,871,352	-74.5%
Rome	80,145	1,695,008	60,276	975,117	140,421	2,670,125	-94.7%
Total	41,042,118	45,799,100	51,776,527	50,952,304	92,818,645	96,751,404	-4.1%
NORTH AMERICA							
Los Angeles	914,242	446,977	556,310	827,550	1,470,552	1,274,527	15.4%
Total	914,242	446,977	556,310	827,550	1,470,552	1,274,527	15.4%
SOUTH AMERICA							
Buenos Aires	5,015	122,592	46,067	539,502	51,082	662,094	-92.3%
Total	5,015	122,592	46,067	539,502	51,082	662,094	-92.3%
AFRICA							
Addis Ababa	-	-	12,500	-	12,500	-	-
Algier	-	-	3,035	-	3,035	-	-
Cape Town	70,593	628,449	8,468	249,527	79,061	877,976	-91.0%
Harare	8,614	164,566	1,192	34,799	9,806	199,365	-95.1%
Johannesburg	7,346	278,796	129,215	1,322,985	136,561	1,601,781	-91.5%
Khartoum	-	-	140,351	-	140,351	-	-
Lusaka	-	-	81,658	-	81,658	-	-
Mauritius	55,943	49,317	573,981	356,820	629,924	406,137	55.1%
Total	142,496	1,121,128	950,400	1,964,131	1,092,896	3,085,259	-64.6%
Grand Total	306,124,686	298,067,679	299,148,350	308,542,599	605,273,036	606,610,278	-0.2%

KL INTERNATIONAL AIRPORT CARGO MOVEMENTS BY SECTORS 2012

International Movements: 605,273 metric tonnes



AIRLINES WITH MORE THAN 1% INTERNATIONAL MARKET SHARE AT KLIA

AIRLINES	CARGO MOVEMENTS 2012 (kg)	MARKET SHARE %
Malaysia Airlines	330,864,169	54.7%
AirAsia X	37,690,016	6.2%
AirAsia	32,034,674	5.3%
Korean Air	25,670,423	4.2%
Cathay Pacific Airways	19,908,591	3.3%
Thai Airways International	16,684,371	2.8%
Singapore Airlines	15,421,244	2.5%
China Airlines	14,685,547	2.4%
Emirates	14,052,165	2.3%
Qatar Airways	12,439,025	2.1%
Federal Express	11,396,435	1.9%

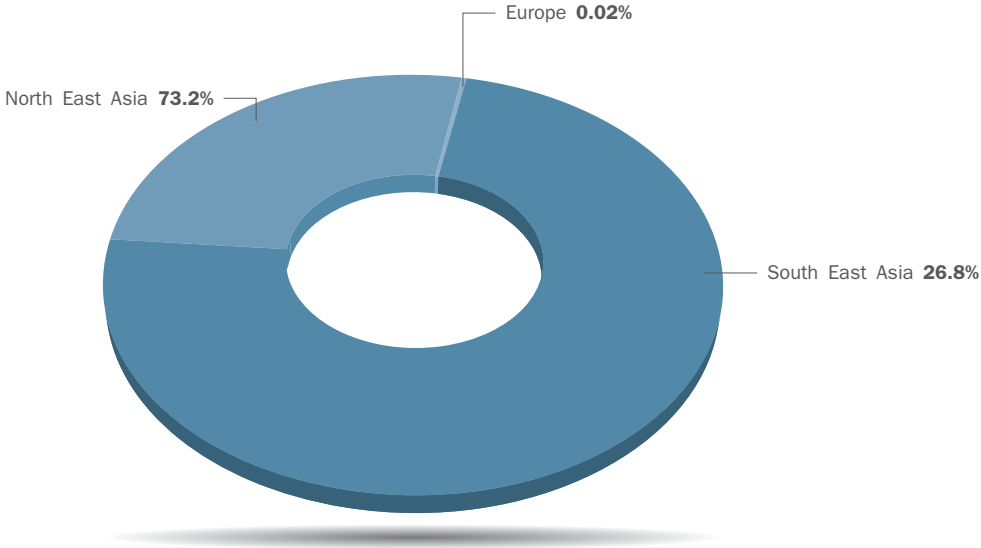
10 HIGHEST GROWTH INTERNATIONAL PERFORMANCE* AT KLIA

AIRLINES	CARGO MOVEMENTS 2012 (kg)	% Y-0-Y
Tiger Airways	1,215,641	232.7%
Egyptair	1,615,444	196.2%
Martin Air Holland	2,200,365	141.0%
Biman Bangladesh Airlines	2,563,466	118.7%
Garuda Indonesia	1,033,389	57.7%
Oman Air	5,307,942	47.0%
Etihad Airways	7,672,771	45.4%
Qatar Airways	12,439,025	28.5%
United Parcel Services	2,668,149	27.1%
Emirates	14,052,165	22.7%

Note: *1,000,000 kg and above

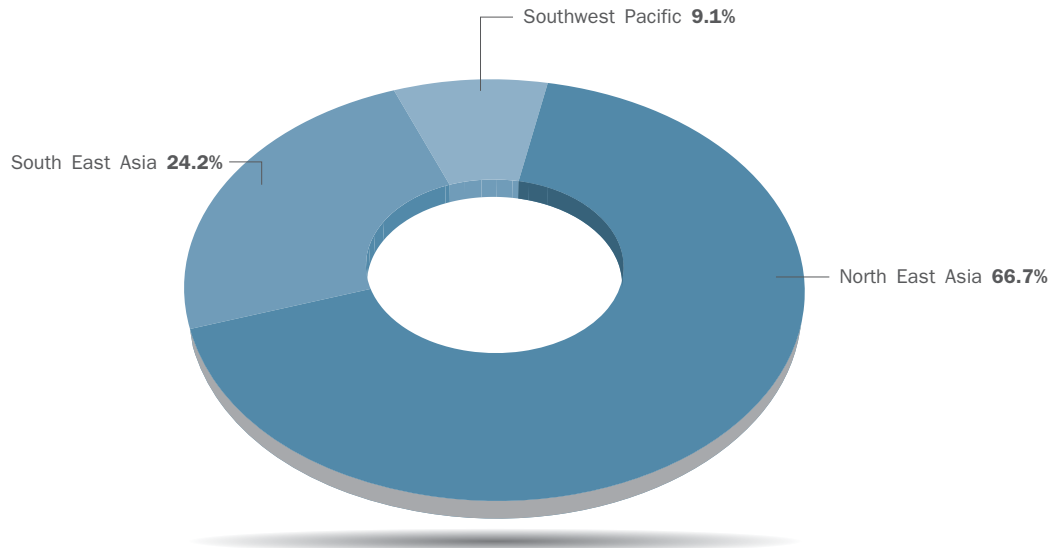
PENANG INTERNATIONAL CARGO MOVEMENTS BY SECTORS 2012

International Movements: 96,294 Metric tonnes



KOTA KINABALU INTERNATIONAL CARGO MOVEMENTS BY SECTORS 2012

International Movements: 2,620 metric tonnes

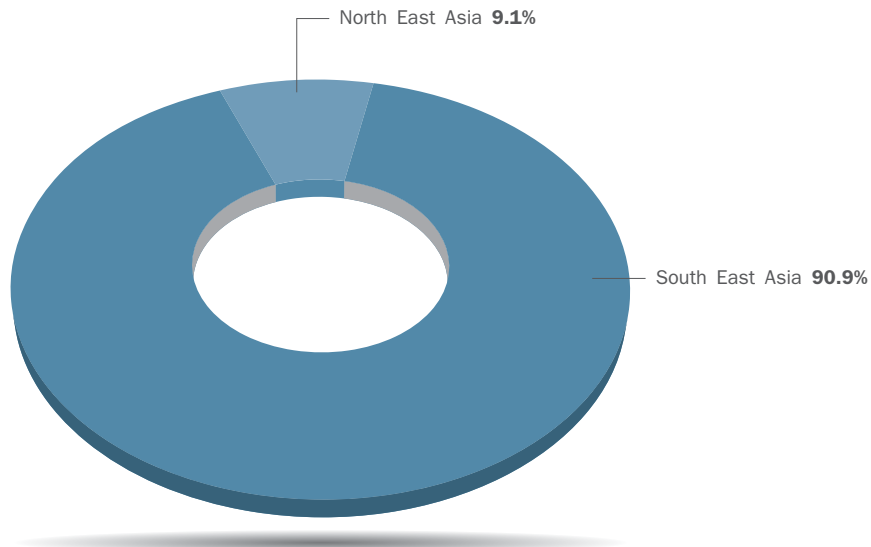


MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

339

KUCHING INTERNATIONAL CARGO MOVEMENTS BY SECTORS 2012

International Movements: 741 metric tonnes



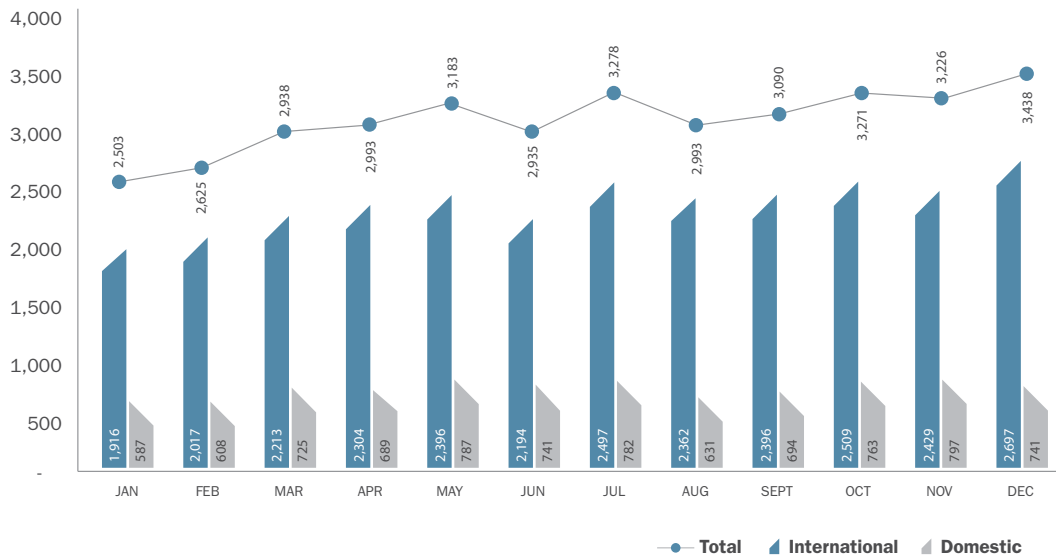
PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

AIRPORTS (kg)	DOMESTIC			INTERNATIONAL			TOTAL			TRANSIT		
	Arrival	Departure	Total	Arrival	Departure	Total	2012*	2011*	% +/-	Domestic	Int'l	Total
KLIA	548,902	1,032,900	1,581,802	12,762,128	14,775,237	27,537,365	29,119,167	25,462,928	14.4%	0	0	0
Penang	29	370	399	472	628	1,100	1,589	11,968	-86.7%	90	0	90
Kota Kinabalu	670,987	1,184,905	1,855,892	301,027	89,157	390,184	2,246,076	1,810,421	24.1%	0	0	0
Kuching	74,760	421,413	496,173	4	0	4	497,034	478,531	3.9%	857	0	857
Langkawi	154,571	67,465	222,036	0	0	0	227,176	131,104	73.3%	5,140	0	5,140
Kota Bharu	126,715	86,916	213,631	0	0	0	213,631	329,819	-35.2%	0	0	0
Ipoh	0	0	0	0	0	0	0	0	-	0	0	0
Kuala Terengganu	38,922	9,342	48,264	0	0	0	48,264	15,882	203.9%	0	0	0
Alor Setar	3,940	180,840	184,780	0	0	0	184,780	58,432	216.2%	0	0	0
Melaka	0	0	0	0	0	0	0	0	-	0	0	0
Subang	0	0	0	0	0	0	0	0	-	0	0	0
Kuantan	0	0	0	0	0	0	0	1	-	0	0	0
Tioman	305	0	305	555	0	555	860	0	-	0	0	0
Pangkor	0	0	0	0	0	0	0	0	-	0	0	0
Labuan	390,816	84,849	475,665	0	0	0	496,146	414,432	19.7%	20,481	0	20,481
Lahad Datu	238,961	35,865	274,826	0	0	0	274,826	212,538	29.3%	0	0	0
Sandakan	367,272	50,323	417,595	0	0	0	440,349	465,262	-5.4%	22,754	0	22,754
Tawau	406,717	89,959	496,676	0	0	0	496,676	457,230	8.6%	0	0	0
Bintulu	24,653	16,289	40,942	0	0	0	40,957	218,272	-81.2%	15	0	15
Miri	1,415,877	486,873	1,902,750	0	0	0	1,902,784	1,608,069	18.3%	34	0	34
Sibu	185,828	40,649	226,477	0	0	0	236,841	370,771	-36.1%	10,364	0	10,364
Mulu	0	0	0	0	0	0	0	0	-	0	0	0
Limbang	9,614	28,503	38,117	0	0	0	38,117	25,369	50.2%	0	0	0
STOL Sabah	0	0	0	0	0	0	0	0	-	0	0	0
STOL Sarawak	5,005	1,731	6,736	0	0	0	6,736	14,613	-53.9%	0	0	0
Peninsular Malaysia	873,384	1,377,833	2,251,217	12,763,155	14,775,865	27,539,020	29,795,467	26,010,134	14.6%	5,230	0	5,230
Sabah	2,074,753	1,445,901	3,520,654	301,027	89,157	390,184	3,954,073	3,359,883	17.7%	43,235	0	43,235
Sarawak	1,715,737	995,458	2,711,195	4	0	4	2,722,469	2,715,625	0.3%	11,270	0	11,270
Total 2012	4,663,874	3,819,192	8,483,066	13,064,186	14,865,022	27,929,208	36,472,009	32,085,641	13.7%	59,735	0	59,735
Total 2011	4,204,738	3,588,609	7,793,346	11,829,432	12,325,111	24,154,543	32,085,641			95,726	42,026	137,752
% change	10.9%	6.4%	8.9%	10.4%	20.6%	15.6%	13.7%			-37.6%	-	-56.6%

Note : * Including transit mail

MAIL MOVEMENTS AT MAHB AIRPORTS 2012

(metric tonnes)



MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

341

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

MAIL MOVEMENTS
(2003 - 2012)

AIRPORTS (Metric tonnes)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	% +/-
KLIA	3,787	3,621	2,999	4,558	8,794	18,418	17,061	19,394	25,463	29,119	14.4%
Penang	992	1,563	9	2	1.4	0.4	7	4	12	2	-86.7%
Kota Kinabalu	5,737	5,940	5,032	3,787	4,044	3,149	1,744	2,158	1,810	2,246	24.1%
Kuching	5,131	5,344	5,086	3,467	3,137	999	821	642	479	497	3.9%
Langkawi	42	44	46	58	58	83	73	90	131	227	73.3%
Johor Bahru	0	-	-	-	-	-	-	-	-	-	-
Kota Bharu	305	384	226	171	175	236	322	322	330	214	-35.2%
Ipoh	0	0	0	0	0	0	0	0	0	0	-
Kuala Terengganu	164	174	132	10	4	8	5	12	16	48	203.9%
Alor Setar	0	0	0	0	0	2	55	47	58	185	216.2%
Melaka	0	0	0	0	0	0	0	0	0	0	-
Subang	7,860	8,003	7,006	1,656	0	0	0	0	0	0	-
Kuantan	9	12	2	0	0	0	0	2	0	0	-
Tioman	0	0	0	0	0	0	0	0	0	1	-
Pangkor	0	0	0	0	0	0	0	0	0	0	-
Labuan	307	276	257	291	334	399	360	378	414	496	19.7%
Lahad Datu	155	165	154	212	157	193	212	207	213	275	29.3%
Sandakan	216	202	52	90	9	233	254	476	465	440	-5.4%
Tawau	453	431	264	102	27	281	242	439	457	497	8.6%
Bintulu	122	151	134	240	83	339	382	264	218	41	-81.2%
Miri	1,283	1,255	1,633	1,439	1,806	1,665	2,171	1,564	1,608	1,903	18.3%
Sibu	598	909	1,089	698	59	0	849	287	371	237	-36.1%
Mulu	0	0	0	0	0	0	0	0	0	0	-
Limbang	0	0.01	0.05	0.06	0	0	0	28	25	38	50.2%
STOL Sabah	0	0	0	0	0	0	0	0	0	0	-
STOL Sarawak	0	32	90	106	6	94	53	13	15	7	-53.9%
Peninsular Malaysia	13,160	13,801	10,421	6,455	9,033	18,747	17,523	19,870	26,010	29,795	14.6%
Sabah	6,868	7,013	5,759	4,481	4,572	4,254	2,812	3,659	3,360	3,954	17.7%
Sarawak	7,133	7,691	8,032	5,950	5,090	3,097	4,276	2,798	2,716	2,722	0.3%
Grand Total	27,161	28,505	24,212	16,886	18,695	26,098	24,611	26,328	32,086	36,472	13.7%
% change	4.4%	4.9%	-15.1%	-30.3%	10.7%	39.6%	-5.7%	7.0%	21.9%	13.7%	

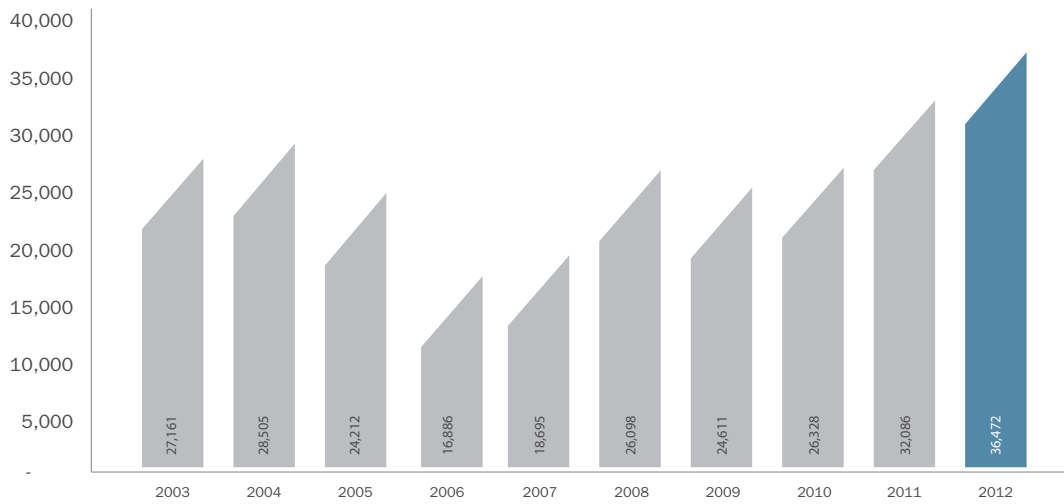
MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

342

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

MAIL MOVEMENTS AT MAHB AIRPORTS (2003 – 2012)

(metric tonnes)



MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

343

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

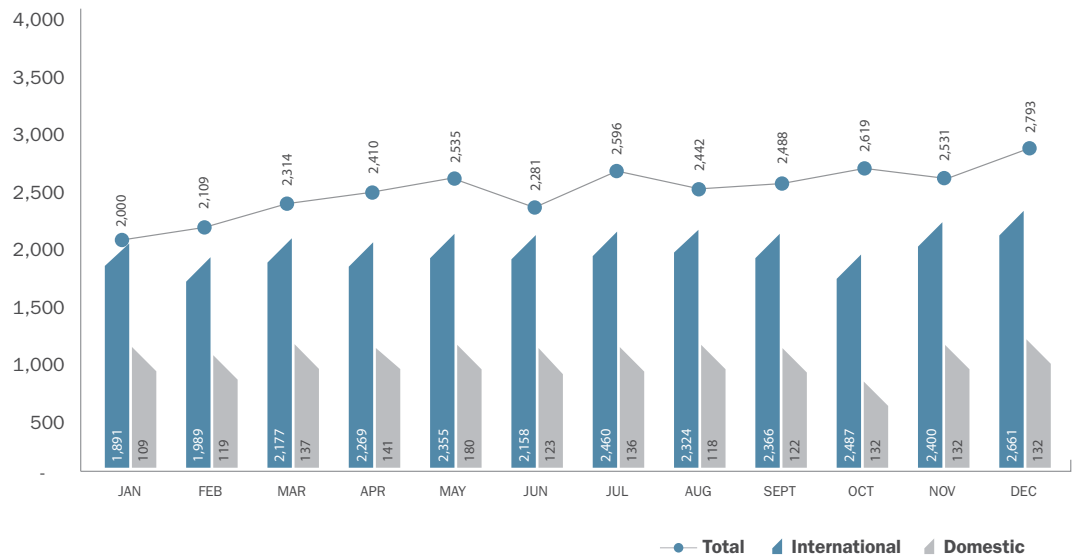
MAIL MOVEMENTS AT
**KL INTERNATIONAL
 AIRPORT 2012**

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

344

PREFACE
 PERFORMANCE REVIEW
 PERSPECTIVES
 LEADERSHIP
 CORPORATE FRAMEWORK
 GOVERNANCE
 FINANCIAL STATEMENTS
AIRPORTS STATISTIC

(metric tonnes)



(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
SOUTH EAST ASIA							
Bandar Seri Begawan	6,359	6,945	151,651	131,559	158,010	138,504	14.1%
Bangkok	469,025	443,147	165,526	142,730	634,551	585,877	8.3%
Denpasar Bali	89,935	105,087	452,133	74,775	542,068	179,862	201.4%
Hanoi	12,119	1,183	122,037	177,720	134,156	178,903	-25.0%
Ho Chi Minh City	2,202	2,296	24,667	16,599	26,869	18,895	42.2%
Jakarta	331,214	386,014	756,926	666,943	1,088,140	1,052,957	3.3%
Manila	21,651	9,490	114,670	67,187	136,321	76,677	77.8%
Medan	-	-	35,733	30,967	35,733	30,967	15.4%
Phnom Penh	51,406	99,400	237,285	269,212	288,691	368,612	-21.7%
Phuket	656	466	3	8	659	474	39.0%
Singapore	766,527	763,976	80,612	95,956	847,139	859,932	-1.5%
Yangon	58	20	86,455	63,470	86,513	63,490	36.3%
Total	1,751,152	1,818,024	2,227,698	1,737,126	3,978,850	3,555,150	11.9%
NORTH EAST ASIA							
Beijing	843,304	336,198	285,657	78,284	1,128,961	414,482	172.4%
Chengdu	-	-	-	20	-	20	-
Fuzhou	1,684	1,624	-	-	1,684	1,624	3.7%
Guangzhou	503,677	663,526	81,421	68,702	585,098	732,228	-20.1%
Hong Kong	388,471	339,061	247,122	337,913	635,593	676,974	-6.1%
Kaohsiung	7	437	-	-	7	437	-98.4%
Osaka	115,371	99,659	35,118	40,562	150,489	140,221	7.3%
Seoul	1,515,579	1,536,353	339,092	167,242	1,854,671	1,703,595	8.9%
Shanghai Pu Dong	91,700	16,858	78,240	8,081	169,940	24,939	581.4%
Shenzhen	2,196,085	1,896,626	2,955,584	2,008,378	5,151,669	3,905,004	31.9%
Taipei	483,977	532,601	376,932	299,314	860,909	831,915	3.5%
Tokyo	4,791	6,491	262,600	284,568	267,391	291,059	-8.1%
Xianmen	34,824	35,012	45	428	34,869	35,440	-1.6%
Total	6,179,470	5,464,446	4,661,811	3,293,492	10,841,281	8,757,938	23.8%

INTERNATIONAL
MAIL MOVEMENTS BY
SECTORS AT
**KL INTERNATIONAL
AIRPORT 2012**

(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
SOUTHWEST PACIFIC							
Adelaide	-	-	225,549	190,523	225,549	190,523	18.4%
Auckland	2,554	3,461	997,634	754,372	1,000,188	757,833	32.0%
Brisbane	1	-	296,999	179,648	297,000	179,648	65.3%
Christmas Island	-	-	-	1,711	-	1,711	-
Melbourne	1,540	918	1,502,266	1,472,092	1,503,806	1,473,010	2.1%
Perth	44	2,457	664,487	612,927	664,531	615,384	8.0%
Port Moresby	-	1	-	-	-	1	-
Sydney	1,335	2,700	1,597,792	1,442,251	1,599,127	1,444,951	10.7%
Total	5,474	9,537	5,284,727	4,653,524	5,290,201	4,663,061	13.4%
SOUTH ASIA							
Bangalore	-	1	-	-	-	1	-
Chennai	13,020	207	26,479	8,858	39,499	9,065	335.7%
Colombo	75,802	131,713	43,060	36,959	118,862	168,672	-29.5%
Delhi	21	31	30,857	43,650	30,878	43,681	-29.3%
Dhaka	99,690	16,272	98,228	78,324	197,918	94,596	109.2%
Karachi	2,460	3,168	2,167	29,575	4,627	32,743	-85.9%
Kathmandu	-	3	328	10	328	13	2423.1%
Lahore	274	499	-	20	274	519	-47.2%
Male	530	401	27,140	17,451	27,670	17,852	55.0%
Mumbai	6,972	63	30,582	43,671	37,554	43,734	-14.1%
Total	198,769	152,358	258,841	258,518	457,610	410,876	11.4%
MIDDLE EAST							
Abu Dhabi	21,822	34,992	40	47	21,862	35,039	-37.6%
Amman	1,574	1,314	163	84	1,737	1,398	24.2%
Bahrain	3,101	16,918	4,807	119	7,908	17,037	-53.6%
Beirut	-	-	-	1	-	1	-
Cairo	-	201	98	37	98	238	-58.8%
Doha	68,517	93,971	17,366	2,336	85,883	96,307	-10.8%
Dubai	1,582	2,238	348	10,080	1,930	12,318	-84.3%
Jeddah	11,255	5,296	36,375	21,909	47,630	27,205	75.1%
Kuwait	27,077	2,672	164	79	27,241	2,751	890.2%
Mashad	880	-	-	-	880	-	-
Muscat	9,812	601	64	10	9,876	611	1516.4%
Riyadh	4,980	3,873	334	352	5,314	4,225	25.8%
Riyan Mukalla	1	344	-	-	1	344	-99.7%
Sanaa	479	881	-	1	479	882	-45.7%
Sharjah	15,164	9,398	-	-	15,164	9,398	61.4%
Shiraz	-	-	10	74	10	74	-86.5%
Tehran	9,015	10,404	239	435	9,254	10,839	-14.6%
Total	175,259	183,103	60,008	35,564	235,267	218,667	7.6%

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

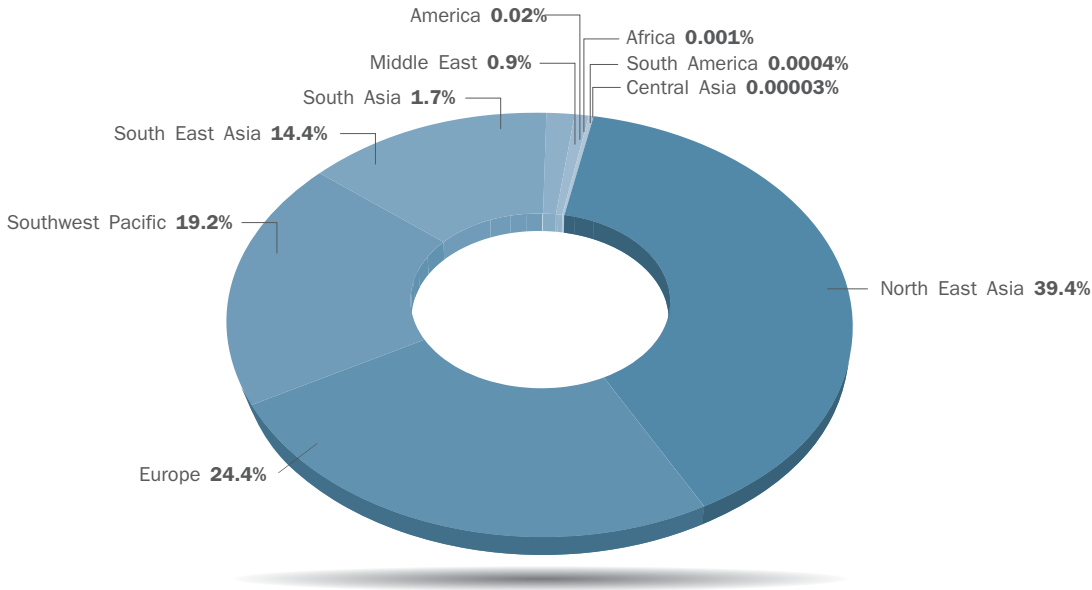
346

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

(kg)	ARRIVAL		DEPARTURE		TOTAL		% + / -
	2012	2011	2012	2011	2012	2011	
CENTRAL ASIA							
Tashkent	9	868	-	-	9	868	-99.0%
Total	9	868	-	-	9	868	-99.0%
EUROPE							
Amsterdam	546,221	399,284	120,713	143,458	666,934	542,742	22.9%
Frankfurt	45,430	30,764	79,760	77,993	125,190	108,757	15.1%
Istanbul	47	64	25,444	24,934	25,491	24,998	2.0%
London	3,857,883	3,521,999	1,714,224	1,865,310	5,572,107	5,387,309	3.4%
Luxembourg	-	-	171	-	171	-	-
Moscow	910	-	205	-	1,115	-	-
Paris	1,365	374	337,312	157,013	338,677	157,387	115.2%
Paris Orly	-	-	-	470	-	470	-
Rome	-	-	-	763	-	763	-
Total	4,451,856	3,952,485	2,277,829	2,269,941	6,729,685	6,222,426	8.2%
NORTH AMERICA							
Los Angeles	-	70,617	4,200	36,036	4,200	106,653	-96.1%
Total	-	70,617	4,200	36,036	4,200	106,653	-96.1%
SOUTH AMERICA							
Buenos Aires	-	3	123	15,764	123	15,767	-99.2%
Total	-	3	123	15,764	123	15,767	-99.2%
AFRICA							
Cape Town	-	-	-	1,173	-	1,173	-
Harare	-	1	-	-	-	1	-
Johannesburg	-	118	-	97	-	215	-
Mauritius	139	186	-	-	139	186	-25.3%
Total	139	305	-	1,270	139	1,575	-91.2%
Grand Total	12,762,128	11,651,746	14,775,237	12,301,235	27,537,365	23,952,981	15.0%

KL INTERNATIONAL AIRPORT MAIL MOVEMENTS BY SECTORS 2012

Total International Movements: 27,537 Metric Tonnes



STOLports	AIRCRAFT MOVEMENTS	% CHG	PASSENGERS	% CHG	CARGO & MAIL (KG)	% CHG
SARAWAK REGION						
Bakalalan	312	-15.7%	3,310	-37.9%	-	-
Bario	1,530	-10.9%	17,413	-3.1%	241,167	-18.0%
Lawas	3,876	0.2%	53,965	-2.7%	31,981	-8.9%
Long Akah	306	-19.0%	1,600	-23.1%	-	-
Long Banga	210	-10.3%	2,665	0.7%	-	-
Long Lellang	298	23.1%	2,197	-1.9%	-	-
Long Seridan	190	-2.1%	1,547	-2.6%	6,060	-11.8%
Marudi	3,732	-3.2%	43,740	-9.9%	357,994	18.7%
Mukah	3,080	-5.5%	36,323	-3.0%	-	-
Belaga	0	-	0	-	-	-
Long Semado	0	-	0	-	-	-
Kapit	0	-	0	-	-	-
Total	13,534	-4.1%	162,760	-6.1%	637,202	-0.1%
SABAH REGION						
Kudat	192	-27.3%	5,970	18.3%	3	-76.9%
Long Pasia	0	-	0	-	-	-
Semporna	0	-	0	-	-	-
Total	192	-27.3%	5,970	18.3%	3	-76.9%
Grand Total	13,726	-4.6%	168,730	-5.4%	637,205	-0.1%

	WEEKLY FLIGHT FREQUENCY		WEEKLY FLIGHT FREQUENCY		
1	Air Astana	3	35	Mahan Air	2
2	Air India Express	5	36	Malaysia Airlines	518+24 (C) int/ 425 dom
3	Air Mauritius	3	37	Mandala Airlines	14
4	AirAsia Philippines	7	38	Myanmar Airways International	6
5	AirAsia X	82	39	Nepal Airlines	6
6	AirAsia	562 int/ 517 dom	40	Oman Air	7
7	Airphil Express	3	41	Pakistan International Airlines	3
8	Bangkok Airways	7	42	Qatar Airways	21
9	BB Airways	3	43	Royal Brunei Airlines	9
10	Biman Bangladesh Airlines	7	44	Royal Jordanian	3
11	Cargolux Airlines International (Cargo)	3	45	Saudi Arabian Airlines	7
12	Cathay Pacific Airways	28	46	SilkAir	45
13	Cebu Pacific Air	16	47	Singapore Airlines	16
14	China Airlines	7 (3C)	48	SriLankan Airlines	14
15	China Eastern Airlines	7	49	Thai AirAsia	14
16	China Southern Airlines	14	50	Thai Airways International	18
17	Egyptair	7	51	Tiger Airways	31
18	Emirates	32	52	Transmile Air (Cargo)	2 int/6 dom
19	Ethiopian Airlines	3	53	United Airways Bangladesh (4H)	7
20	Etihad Airways	7	54	United Parcel Services (Cargo)	9
21	Eva Airways	6	55	Uzbekistan Airways	3
22	Federal Express (Cargo)	9	56	Vietnam Airlines	21
23	Firefly	1	57	Xianmen Airlines	6
24	Gading Sari (Cargo)-domestic	4	58	Yemenia Yemen Airways	2
25	Garuda Indonesia	14	59	Air China	3
26	Indonesia Airasia	105	60	Air Koryo	1
27	Iran Air	3	61	Air Zimbabwe	1
28	Japan Airlines International	7	62	Gulf Air	4
29	Jetstar Asia	50	63	Jet Airways (India)	7
30	KLM-Royal Dutch Airlines	10	64	Martinair Holland	2
31	Korean Air	7 (4C)	65	Transaero	1
32	Kuwait Airways	6	66	Zest Airways	1
33	Lion Air	19			
34	Lufthansa German Airlines	4			
Total number of airlines					66

1. FLIGHT, INTERNATIONAL

A flight operated with one or both terminals in the territory of a State, other than the State in which the airline is registered. The term State includes all territories subject to the sovereignty, protection or mandate of such State.

2. FLIGHT, DOMESTIC

A flight operated between points within the domestic boundaries of a State by an airline registered in that State. A flight between a State and territories belonging to it, as well as a flight between two such territories, should be classified as domestic. This applies even though the flight may cross international waters or over the territory subject to the sovereignty, suzerainty, protection or mandate of such State.

3. COMERCIAL AIR TRANSPORT OPERATION

An aircraft operation involving the transport of passengers, baggage, cargo or mail for remuneration or hire.

4. AIR SERVICES, SCHEDULED

Air services provided by flights scheduled and performed for remuneration according to a published timetable, or so regular or frequent as to constitute a recognisably systematic series which are open for use by public including empty flights related thereto and preliminary revenue flights on planned new air services.

5. NON SCHEDULED FLIGHT

Commercial flights not listed in the time table of an airline including General Aviation aircraft carrying passenger or cargo for remuneration or hire.

6. PASSENGER

Any person, except members of the crew, carried or to be carried in an aircraft with the consent of the carrier.

7. TRANSFER PASSENGER (CARGO, MAIL)

A passenger making a direct connection between two flights i.e using different aircraft and flight numbers, operated by the same or another airline. Synonymous with connecting passenger.

8. TRANSIT PASSENGER (CARGO, MAIL)

A passenger arriving and departing on one and the same aircraft.

9. CARGO

Anything carried or to be carried in an aircraft, except mail, or baggage carried under a passenger ticket and baggage check, but includes baggage moving under an airway bill or shipment record.

10. MAIL, SERVICE

- Dispatches of correspondence and other objects tendered by and intended for delivery to postal administration.
- Goods carried under the terms of an international Postal Convention.

11. DEPARTURE

The boarding of an aircraft for the purpose of commencing a flight, except by such crew or passengers as have embarked on a previous stage of the same through-flight.

12. ARRIVAL

The leaving of an aircraft after a landing except by crew or passenger continuing to the next stage of the same throughflight.

13. STOLports

An airport designed to serve short take-off and landing (STOL) aircraft.

STATEMENT OF SHAREHOLDINGS

Share Capital

Authorised Share Capital	: RM2,000,000,001/-
Issued and Fully Paid-Up Capital	: RM1,217,088,047/-
Class of Equity Securities	: 1,217,088,046 Ordinary Shares of RM1/- each; and 1 Special Rights Redeemable Preference Share of RM1/-
Voting Rights	: One vote per ordinary share The Special Share has no voting right other than that referred to in Note 26 of the Financial Statements.

ANALYSIS OF SHAREHOLDINGS AS AT 31 JANUARY 2013

A. DISTRIBUTION OF SHAREHOLDINGS (MALAYSIAN & FOREIGN)

Size of holdings	No. of holders		No. of holdings		Percentage	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
1 – 99	74	1	1,300	66	0.00	0.00
100 – 1,000	5,433	28	5,276,575	24,400	0.43	0.00
1,001 – 10,000	3,947	49	12,648,913	266,510	1.04	0.02
10,001 – 100,000	398	122	10,920,839	4,723,753	0.90	0.39
100,001 – 60,854,401 (*)	120	142	260,136,209	177,089,354	21.37	14.55
60,854,402 and above (**)	3	0	746,000,127	0	61.29	0.00
Total	9,975	342	1,034,983,963	182,104,083	85.04	14.96
Grand Total	10,317		1,217,088,046		100.00	

Remark : * Less than 5% of Issued Holdings
** 5% and above of Issued Holdings

Note(s): The above information is based on records as provided by Bursa Malaysia Depository Sdn Bhd and number of holders reflected is in reference to CDS account numbers.

B. LIST OF TOP 30 SECURITIES ACCOUNT HOLDERS AS AT 31 JANUARY 2013
(Without aggregating securities from different securities accounts belonging to the same person)

Name of Shareholders	No. of Holdings	Percentage
1. KHAZANAH NASIONAL BERHAD	488,000,000	40.10
2. AMANAHRAYA TRUSTEES BERHAD SKIM AMANAH SAHAM BUMIPUTERA	129,495,371	10.64
3. CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	128,504,756	10.56
4. AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM WAWASAN 2020	38,205,292	3.14
5. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (BERMUDA)	23,942,029	1.97
6. MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC REGULAR SAVINGS FUND (N14011940100)	23,614,902	1.94
7. MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	19,151,000	1.57
8. KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	17,023,613	1.40
9. CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	16,034,100	1.32
10. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR THE BANK OF NEW YORK MELLON (MELLON ACCT)	14,986,699	1.23
11. PERMODALAN NASIONAL BERHAD	13,496,154	1.11
12. CARTABAN NOMINEES (ASING) SDN BHD GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD FOR GOVERNMENT OF SINGAPORE (C)	13,312,047	1.09
13. AMANAHRAYA TRUSTEES BERHAD AS 1MALAYSIA	12,277,537	1.01
14. AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA	11,370,660	0.93
15. AMANAHRAYA TRUSTEES BERHAD PUBLIC GROWTH FUND	8,622,101	0.71
16. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (AUSTRALIA)	7,789,354	0.64
17. AMANAHRAYA TRUSTEES BERHAD PUBLIC EQUITY FUND	6,356,522	0.52

Name of Shareholders	No. of Holdings	Percentage
18. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (U.A.E.)	5,597,999	0.46
19. BHR ENTERPRISE SDN BHD	5,151,600	0.42
20. SETIAUSAHA KERAJAAN PULAU PINANG	5,000,000	0.41
21. HSBC NOMINEES (ASING) SDN BHD BBH AND CO BOSTON FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	4,829,600	0.40
22. CARTABAN NOMINEES (ASING) SDN BHD BBH (LUX) SCA FOR FIDELITY FUNDS ASEAN	4,561,715	0.37
23. CHIEF MINISTER, STATE OF SABAH	4,500,000	0.37
24. STATE FINANCIAL SECRETARY SARAWAK	4,500,000	0.37
25. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BNP PARIBAS SECURITIES SERVICES (CLIENT ASSET S)	4,408,797	0.36
26. MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC AGGRESSIVE GROWTH FUND (N14011940110)	4,338,038	0.36
27. KERAJAAN NEGERI PAHANG	4,100,000	0.34
28. STATE SECRETARY KEDAH INCORPORATED	4,100,000	0.34
29. CITIGROUP NOMINEES (TEMPATAN) SDN BHD ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (P)	3,952,712	0.32
30. AMANAHRAYA TRUSTEES BERHAD PUBLIC SECTOR SELECT FUND	3,922,128	0.32

C. LIST OF SECURITIES ACCOUNT HOLDERS OF SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE AS AT 31 JANUARY 2013

1. The Minister of Finance (Incorporated)

**D. SUBSTANTIAL SHAREHOLDERS AS AT 31 JANUARY 2013
(as shown in the register of substantial shareholders)**

Name of Substantial Shareholders	No. of Shares held		Percentage
	Direct	Indirect	
Khazanah Nasional Berhad	488,000,000	–	40.10
Employees Provident Fund Board	143,178,609	–	11.76
AmanahRaya Trustees Berhad – Skim Amanah Saham Bumiputera	129,495,371	–	10.64

**E. DIRECTORS' SHAREHOLDINGS AS AT 31 JANUARY 2013
(as shown in the register of directors' shareholdings)**

Name of Directors	No. of Shares held		Percentage
	Direct	Indirect	
1. Tan Sri Dato' Sri Dr. Wan Abdul Aziz Bin Wan Abdullah	–	–	–
2. Tan Sri Bashir Ahmad Bin Abdul Majid	–	–	–
3. Datuk Seri Long See Wool	–	–	–
4. Eshah Binti Meor Suleiman	–	–	–
5. Datuk Alias Bin Haji Ahmad	–	–	–
6. Datuk Siti Maslamah Binti Osman	–	–	–
7. Jeremy Bin Nasrulhaq	–	–	–
8. Mohd Izani Bin Ghani	–	–	–
9. Dato' Syed Faisal Albar Bin Syed A.R Albar	–	–	–
10. Tunku Dato' Mahmood Fawzy Bin Tunku Muhiyiddin	–	–	–
11. Norazura Binti Tadzim (Alternate Director to Eshah Binti Meor Suleiman)	–	–	–
12. Chua Kok Ching (Alternate Director to Datuk Seri Long See Wool)	–	–	–

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
T : 603-2084 9000
F : 603-2094 9940/2095 0292

LISTING

The Company's shares are listed on the Main Market of Bursa Malaysia Securities Berhad in Malaysia.

MALAYSIAN TAXES ON DIVIDEND

The change in the tax structure from imputation to single tier system is the most significant change in Malaysia's tax laws.

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. Under this system, tax on dividends is imposed at the companies' and shareholders' level. However, tax imposed at the shareholders' level will take into account tax imputed at the companies' level through tax credits.

In accordance with Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Malaysian companies also have an irrecoverable option to disregard the Section 108 balance of Malaysian Income Tax Act, 1967 and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the Section 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

MAHB did not elect for the irrecoverable option to disregard the Section 108 balance. Accordingly, during the transitional period, MAHB may utilise the credit in Section 108 balances as at 31 December 2012 and 2011 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 December 2012, the Company has fully utilised the credit in the Section 108 balance and can distribute its entire retained earnings under the single-tier system without any restrictions.

ANNUAL REPORT

The Annual Report is available to the public who are not shareholders of the Company, by writing to:

The Company Secretary
Malaysia Airports Holdings Berhad
Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang
Selangor Darul Ehsan
T : 603-8777 7011
F : 603-8777 7512

Registered Owner and Location	Description and Existing Use	Tenure	Land Area	Built-up Area (sqm)	Net Book Value as at 31 Dec 2012 (RM'000)
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LEASED PROPERTIES

MALAYSIA AIRPORTS (SEPANG) SDN. BHD. FEDERAL LAND COMMISSIONER* Location: District of Sepang, Selangor Malaysia	KLIA	A total right of occupation of 50 years (Expiry date of 4 May 2048)	22,620 acres	–	–
MALAYSIA AIRPORTS HOLDINGS BHD. FEDERAL LAND COMMISSIONER** Location: District of Petaling, Selangor Malaysia	Sultan Abdul Aziz Shah Airport	A total right of occupation of 60 years (Expiry date of 31 December 2067)	1,122 acres	–	–

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

357

LANDED PROPERTIES OWNED BY THE GROUP

MALAYSIA AIRPORTS (NIAGA) SDN. BHD. Location: Desa Cempaka, Bandar Baru Nilai Mukim Nilai, District of Seremban Negeri Sembilan, Malaysia	48 units of apartments	Freehold	–	3,791	2,326
MALAYSIA AIRPORTS (PROPERTIES) SDN. BHD. Location: Genting Permai Park & Resort District of Bentong, Pahang Malaysia	4 units of apartments	Freehold	–	342	761
MALAYSIA AIRPORTS (PROPERTIES) SDN. BHD. Location: Teluk Dalam, Pulau Pangkor District of Manjung, Perak Malaysia	10 units of apartments	Freehold	–	744	884

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

Registered Owner and Location	Description and Existing Use	Tenure	Land Area	Built-up Area (sqm)	Net Book Value as at 31 Dec 2012 (RM'000)
LANDED PROPERTIES OWNED BY THE GROUP (CONTINUED)					
MALAYSIA AIRPORTS SDN. BHD. Location: CL 205357688 Sierra Estates Condominium Jalan Ranca-Ranca Federal Territory of Labuan Malaysia	32 units of apartments	Leasehold of 99 years (Expiry date of 31 December 2089)	–	3,175	–
MALAYSIA AIRPORTS SDN. BHD. Location: CL 205359593 Kg. Nagalang Federal Territory of Labuan Malaysia	Land (Residential)	Leasehold of 99 years (Expiry date of 31 December 2090)	1.10 acres	–	265
MALAYSIA AIRPORTS (PROPERTIES) SDN. BHD. Location: CL 205317951 Kg. Nagalang Federal Territory of Labuan Malaysia	Land (Agriculture)	Leasehold of 99 years (Expiry date of 31 December 2077)	1.22 acres	–	218

Note:

* Pursuant to the KLIA Land Lease Agreement dated 18 October 1999 entered into between Malaysia Airports (Sepang) Sdn. Bhd. and the Federal Land Commissioner, Malaysia Airports (Sepang) Sdn. Bhd. has been granted the right of use of the KLIA land for a period of 50 years.

However, following a restructuring exercise for MAHB, the Land Lease Agreement was replaced by a new Land Lease Agreement dated 12 February 2009. Malaysia Airports (Sepang) Sdn. Bhd. has been granted the right of use of the KLIA land for a period of 25 years.

** Pursuant to the Land Lease Agreement dated 26 October 2007 entered into between Malaysia Airports Holdings Bhd and the Federal Land Commissioner, Malaysia Airports has been granted a lease of land of Sultan Abdul Aziz Shah (SAAS) Airport for a period of 60 years.

MALAYSIA AIRPORTS HOLDINGS BERHAD AND GROUP

Registered Address:
Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang, Selangor Darul Ehsan
T : 603-8777 7000
F : 603-8777 7778/603-8777 7512

MALAYSIA AIRPORTS HOLDINGS BERHAD (487092-W)
MALAYSIA AIRPORTS SDN BHD (230646-U)
MALAYSIA AIRPORTS CONSULTANCY SERVICES SDN BHD (375245-X)

Business Address:
Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang, Selangor Darul Ehsan
T : 603-8777 7000
F : 603-8777 7778/603-8777 7512

MALAYSIA AIRPORTS (SEPAANG) SDN BHD (320480-D)

Business Address:
4th Floor, Airport Management Centre
Kuala Lumpur International Airport
64000 KLIA, Sepang, Selangor Darul Ehsan
T : 603-8776 2000/603-8777 8888
F : 603-8926 5510/603-8926 5209

MALAYSIA AIRPORTS (NIAGA) SDN BHD (281310-V)

Business Address:
3rd Floor, Airport Management Centre
Kuala Lumpur International Airport
64000 KLIA, Sepang, Selangor Darul Ehsan
T : 603-8776 8600
F : 603-8787 3747

MALAYSIA AIRPORTS (PROPERTIES) SDN BHD (484656-H)

Business Address:
Block C, Ground Floor, Short Term Car Park
64000 KLIA, Sepang, Selangor Darul Ehsan
T : 603-8776 8401
F : 603-8776 8181

K.L. AIRPORT HOTEL SDN BHD (330863-D)

SAMA-SAMA HOSPITALITY MANAGEMENT SDN BHD (1029991-A)

Business Address:
Sama-Sama Hotel
Kuala Lumpur International Airport
Jalan CTA 4B, 64000 KLIA
Sepang, Selangor Darul Ehsan
T : 603-8787 3333
F : 603-8787 5555

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

359

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

MAB AGRICULTURE-HORTICULTURE SDN BHD (467902-D)

Business Address:
4th Floor, Airport Management Centre
Kuala Lumpur International Airport
64000 KLIA, Sepang, Selangor Darul Ehsan
T : 019-2824 362
F : 019-2163 025

MALAYSIA INTERNATIONAL AEROSPACE CENTRE SDN BHD (438244-H)

Business Address:
Unit M8 & M9, Skypark Terminal
Sultan Abdul Aziz Shah Airport
47200 Subang, Selangor Darul Ehsan
T : 603-7846 3870
F : 603-7846 3300

MALAYSIA AIRPORTS TECHNOLOGIES SDN BHD (512262-H)

MALAYSIA AIRPORTS MSC SDN BHD (516854-V)

Business Address:
3rd Floor, Airport Management Centre
Kuala Lumpur International Airport
64000 KLIA, Sepang, Selangor Darul Ehsan
T : 603-8776 8341
F : 603-8786 8680

URUSAN TEKNOLOGI WAWASAN SDN BHD (459878-D)

Business Address:
1st Floor, Civil Engineering Building
Engineering Complex
Kuala Lumpur International Airport
64000 Sepang, Selangor Darul Ehsan
T : 603-8776 7002
F : 603-8787 2455

KL INTERNATIONAL AIRPORT

64000 KLIA Sepang
Selangor Darul Ehsan, Malaysia
T : 603-8777 8888
F : 603-8926 5510

PENANG INTERNATIONAL AIRPORT

11900 Bayan Lepas
Pulau Pinang, Malaysia
T : 604-252 0252
F : 604-643 5339

LANGKAWI INTERNATIONAL AIRPORT

07100 Padang Mat Sirat, Langkawi
Kedah Darul Aman, Malaysia
T : 604-955 1311
F : 604-955 1314

KOTA KINABALU INTERNATIONAL AIRPORT

Beg Berkunci No. 134
Aras 5, Bangunan Terminal
88740 Kota Kinabalu Sabah, Malaysia
T : 6088-325 555
F : 6088-219 081

KUCHING INTERNATIONAL AIRPORT

Peti Surat 1070
93722 Kuching, Sarawak, Malaysia
T : 6082-454 242
F : 6082-458 587

SULTAN ABDUL AZIZ SHAH AIRPORT

Skypark Terminal
47200 Subang
Selangor Darul Ehsan, Malaysia
T : 603-7845 3245
F : 603-7846 3679

SULTAN AZLAN SHAH AIRPORT

31350 Ipoh, Perak Darul Ridzuan, Malaysia
T : 605-318 8202
F : 605-312 2295

SULTAN ABDUL HALIM AIRPORT

06200 Alor Setar
Kedah Darul Aman, Malaysia
T : 604-714 6876
F : 604-714 5345

SULTAN ISMAIL PETRA AIRPORT

Pengkalan Chepa
16100 Kota Bharu
Kelantan Darul Naim, Malaysia
T : 609-773 7400
F : 609-773 3852

SULTAN MAHMUD AIRPORT

21300 Kuala Terengganu
Terengganu Darul Iman, Malaysia
T : 609-667 3666
F : 609-662 6670

SULTAN AHMAD SHAH AIRPORT

26070 Kuantan
Pahang Darul Makmur, Malaysia
T : 609-531 2123/2100
F : 609-538 4017

MELAKA AIRPORT

75350 Melaka, Malaysia
T : 606-317 5860
F : 606-317 5214

SANDAKAN AIRPORT

P.O. Box 1719
90719 Sandakan, Sabah, Malaysia
T : 6089-667 782/667 786
F : 6089-667 778

LAHAD DATU AIRPORT

P.O. Box 213
91108 Lahad Datu
Sabah, Malaysia
T : 6089-881 033
F : 6089-881 618

TAWAU AIRPORT

P.O. Box 60132
91011 Tawau, Sabah, Malaysia
T : 6089-950 777
F : 6089-950 781

LABUAN AIRPORT

Jalan Tun Mustafa, Peti Surat 80569
87015 W.P. Labuan Sabah, Malaysia
T : 6087-416 007/415 015
F : 6087-410 129

SIBU AIRPORT

Peti Surat 645
96000 Sibu, Sarawak, Malaysia
T : 6084-307 770
F : 6084-307 709

BINTULU AIRPORT

97000 Bintulu, Sarawak, Malaysia
T : 6086-339 163
F : 6086-337 011

MIRI AIRPORT

Peti Surat 851
98008 Miri, Sarawak, Malaysia
T : 6085-615 204/205
F : 6085-614 537

LIMBANG AIRPORT

98700 Limbang
Sarawak, Malaysia
T : 6085-212 090
F : 6085-214 979

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

361

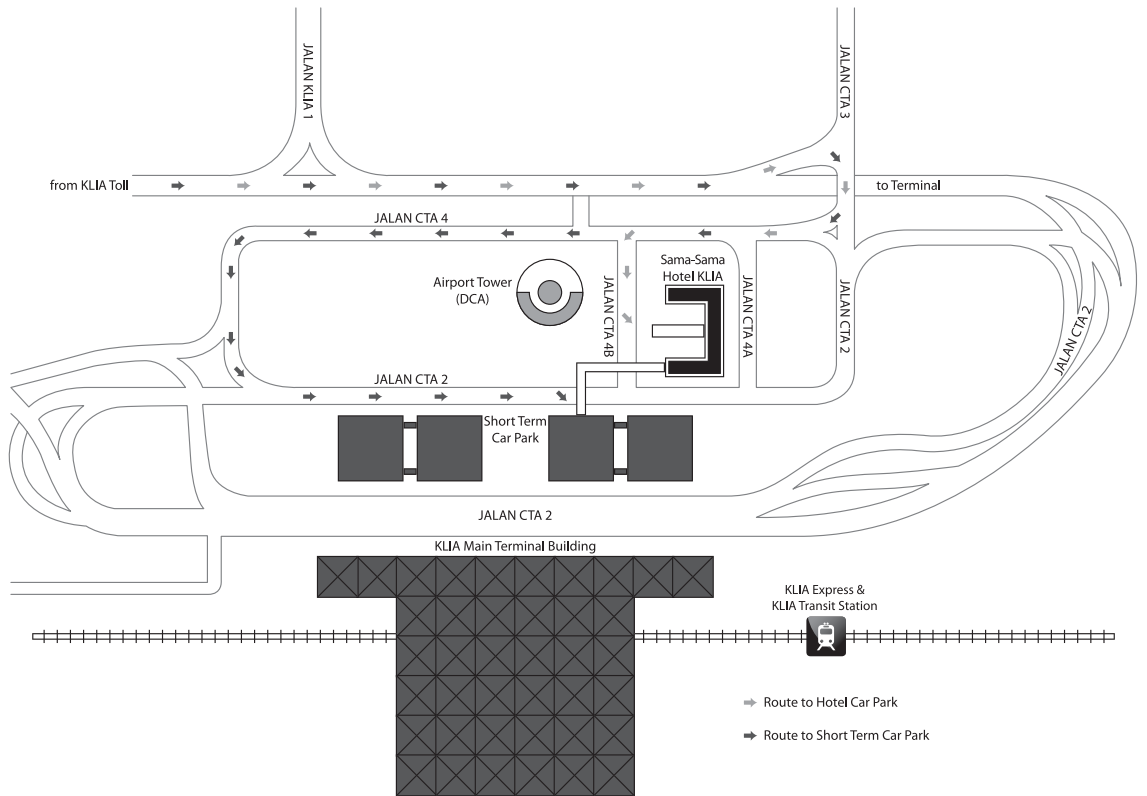
PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC

MAP TO THE AGM VENUE

MALAYSIA AIRPORTS HOLDINGS BERHAD
ANNUAL REPORT 2012

362

PREFACE
PERFORMANCE REVIEW
PERSPECTIVES
LEADERSHIP
CORPORATE FRAMEWORK
GOVERNANCE
FINANCIAL STATEMENTS
AIRPORTS STATISTIC



PROXY FORM

Malaysia Airports Holdings Berhad (487092-W)
Incorporated in Malaysia

CDS Account No. _____

No. of Shares Held _____

I/We _____ NRIC No./Passport No./Company No. _____
[FULL NAME IN CAPITAL LETTERS]

of _____
[FULL ADDRESS]

being a Member(s) of MALAYSIA AIRPORTS HOLDINGS BERHAD, hereby appoint _____
[FULL NAME IN CAPITAL LETTERS]

_____ NRIC No./Passport No. _____

of _____
[FULL ADDRESS]

or failing him/her _____ NRIC No./Passport No. _____
[FULL NAME IN CAPITAL LETTERS]

of _____
[FULL ADDRESS]

or failing him/her the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the Fourteenth Annual General Meeting of the Company to be held at Gateway Ballroom, Level 1, Sama-Sama Hotel, Kuala Lumpur International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan on Thursday, 28 March 2013 at 11.00 a.m. for the following purposes:-

Please indicate with an 'X' in the space provided below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

		For	Against
Resolution 1	To receive the Audited Financial Statements and Reports of the Directors and Auditors for the financial year ended 31 December 2012.		
Resolution 2	To declare and approve the payment of a final single-tier dividend for the financial year ended 31 December 2012.		
Resolution 3	To approve the payment of Directors' fees for the financial year ended 31 December 2012.		
Resolution 4	To approve the proposed increase of Directors' fees with effect from 1 April 2013.		
Resolution 5	To re-elect Tan Sri Dato' Sri Dr. Wan Abdul Aziz bin Wan Abdullah as Director.		
Resolution 6	To re-elect Dato' Syed Faisal Albar bin Syed A.R Albar as Director.		
Resolution 7	To re-elect Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin as Director.		
Resolution 8	To re-elect Datuk Alias bin Haji Ahmad as Director.		
Resolution 9	To re-elect Jeremy bin Nasrulhaq as Director.		
Resolution 10	To re-appoint Messrs. Ernst & Young as Auditors and to authorise the Directors to fix their remuneration.		
Resolution 11	Authority under Section 132D of the Companies Act, 1965 for Directors to allot and issue shares.		
Resolution 12	To approve the proposed renewal of the authority to allot and issue new ordinary shares of RM1.00 each in MAHB for the purpose of the Company's Dividend Reinvestment Plan.		

As witness my/our hands this _____ day of _____ 2013.

Signature of Member/Common Seal

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(a), (b) and (c) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
2. The instrument appointing a proxy shall be in print or writing under the hand of the appointer or his duly constituted attorney, or if such appointer is a corporation, under its common seal or the hand and seal of its attorney.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Malaysia Airports Corporate Office, Persiaran Korporat KLIA, 64000 KLIA, Sepang, Selangor Darul Ehsan not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof.
4. Shareholders' attention is hereby drawn to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, which allows a member of the Company which is an exempt authorised nominee, as defined under the Securities Industry (Central Depositories) Act, 1991, who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") to appoint multiple proxies in respect of each omnibus account it holds.

STAMP

The Company Secretary
Malaysia Airports Holdings Berhad (487092-W)
Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang
Selangor Darul Ehsan