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

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 MARCH 2016

		INDIVIDUAL QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter
	Note	31.03.2016	31.03.2015
		RM'000	RM'000
Revenue		1,019,469	876,179
Cost of inventories sold		(97,025)	(87,881)
Other income		46,882	115,549
Employee benefits expense		(176,937)	(177,692)
Depreciation and amortisation		(249,643)	(205,250)
Other expenses		(339,801)	(322,885)
Operating profits		202,945	198,020
Finance costs		(168,772)	(159,913)
Share of results:			
- associates		537	115
- jointly controlled entities		3,499	1,074
Profit before tax and zakat	7	38,209	39,296
Taxation and zakat	22	(21,706)	(7,299)
Profit for the period, net of tax and zakat		16,503	31,997
Discontinued Operation			
Loss from discontinued operation, net of tax	13	-	-
Profit for the period, net of tax and zakat		16,503	31,997
Attributable to:			
Owners of the parent		17,013	32,578
Non-controlling interests		(510)	(581)
		16,503	31,997
Earnings per share attributable to owners of the parent (sen):			
Basic, for (loss)/profit from continuing operations		0.13	1.28
Basic, for (loss)/profit for the period	30	0.13	1.28

The condensed unaudited consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2016

	INDIVIDUAL QUARTER	
	Current Year Quarter 31.03.2016 RM'000	**Preceding Year Corresponding Quarter 31.03.2015 RM'000**
Profit for the period, net of tax and zakat	16,503	31,997
Other comprehensive income:		
Available-for-sale financial assets		
Gain on fair value changes	1,189	2,397
Foreign currency translation	(162,952)	(170,757)
Unrealised loss on derivative financial instruments, net of tax	(20,735)	-
Other comprehensive income for the period, net of tax and zakat	(182,498)	(168,360)
Total comprehensive income	(165,995)	(136,363)
Attributable to:		
Owners of the parent	(165,485)	(135,782)
Non-controlling interest	(510)	(581)
	(165,995)	(136,363)

The condensed unaudited consolidated of other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	31.03.2016 RM'000 Unaudited	31.12.2015 RM'000 Audited
ASSETS		
Non-current Assets		
Property, plant and equipment	354,936	364,070
Plantation development expenditure	63,385	63,698
Land use rights	7,212	7,246
Intangible assets	17,092,741	17,842,413
Investment in associates	35,022	34,485
Investment in jointly controlled entities	75,169	71,671
Available-for-sale investments	333,577	335,344
Trade receivables	205	278
Other receivables	450,872	429,098
Staff loans	34,310	35,344
Deferred tax assets	260,973	231,642
	18,708,402	19,415,289
Current Assets		
Inventories	119,766	117,642
Trade receivables	1,061,561	1,026,592
Other receivables	116,749	114,335
Tax recoverable	23,738	31,588
Cash and bank balances	996,439	1,286,736
	2,318,253	2,576,893
Assets of disposal group classified as held for disposal	151	151
TOTAL ASSETS	21,026,806	21,992,333

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	31.03.2016 RM'000 Unaudited	31.12.2015 RM'000 Audited
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,659,192	1,659,192
Perpetual sukuk	997,842	997,842
Share premium	3,455,149	3,455,149
Retained earnings	2,452,169	2,449,491
Fair value adjustment reserve	6,489	5,300
Hedging reserve	(34,226)	(13,491)
Other reserve	4,945	5,083
Foreign exchange reserve	119,834	282,786
	8,661,394	8,841,352
Non-controlling interests	(1,267)	(757)
Total equity	8,660,127	8,840,595
Non-current Liabilities		
Borrowings	5,382,332	5,500,007
Derivative financial instruments	40,888	14,523
Deferred income	59,977	63,649
Deferred tax liabilities	909,095	935,017
Trade payables	3,466,237	3,962,201
Other payables	441,913	452,345
	10,300,442	10,927,742
Current Liabilities		
Borrowings	405,144	398,308
Derivative financial instruments	2,933	3,105
Trade payables	646,061	804,236
Other payables	965,070	979,997
Income tax payable	47,010	38,331
	2,066,218	2,223,977
Liabilities of disposal group classified as held for disposal	19	19
Total liabilities	12,366,679	13,151,738
TOTAL EQUITY AND LIABILITIES	21,026,806	21,992,333

The condensed unaudited consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2016

	Attributable to equity holders of the Company										
			Non- distributable					Distributable			
	Share Capital RM'000	Perpetual Sukuk RM'000	Share Premium RM'000	Fair value Adjustment Reserve RM'000	Foreign Exchange Reserve RM'000	Hedging Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-Controlling interests RM'000	Total equity RM'000
At 1 January 2015	1,374,150	997,842	2,373,149	(1,878)	(545)	-	2,635	2,676,767	7,422,120	35	7,422,155
Total comprehensive income for the period	-	-	-	2,397	(170,757)	-	-	32,578	(135,782)	(581)	(136,363)
Distribution to perpetual sukuk holder	-	-	-	-	-	-	-	(14,180)	(14,180)	-	(14,180)
Transaction with owners											
Shares issued pursuant to Dividend reinvestment plan	2,392	-	12,126	-	-	-	-	-	14,518	-	14,518
Issuance of new shares via right issues	275,308	-	1,033,911	-	-	-	-	-	1,309,219	-	1,309,219
Total transactions with owners	277,700	-	1,046,037	-	-	-	-	-	1,323,737	-	1,323,737
At 31 March 2015	1,651,850	997,842	3,419,186	519	(171,302)	-	2,635	2,695,165	8,595,895	(546)	8,595,349
At 1 January 2016	1,659,192	997,842	3,455,149	5,300	282,786	(13,491)	5,083	2,449,491	8,841,352	(757)	8,840,595
Total comprehensive income for the period	-	-	-	1,189	(162,952)	(20,735)	-	17,013	(165,485)	(510)	(165,995)
Legal reserve	-	-	-	-	-	-	(138)	-	(138)	-	(138)
Distribution to perpetual sukuk holder	-	-	-	-	-	-	-	(14,335)	(14,335)	-	(14,335)
At 31 March 2016	1,659,192	997,842	3,455,149	6,489	119,834	(34,226)	4,945	2,452,169	8,661,394	(1,267)	8,660,127

The condensed unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statement.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2016

	31.03.2016 RM'000 Unaudited	31.03.2015 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax and zakat from:		
Continuing operations	38,209	39,296
Discontinued operation	-	-
Adjustments for:		
Interest income	(8,777)	(7,037)
Interest from late payments	(5,461)	(1,526)
Interest expense	167,941	159,913
Provision for liabilities	993	1,006
Writeback of provision of liabilities	-	(7)
Amortisation of:		
- Intangible assets	235,278	192,599
- plantation development expenditure	800	800
- land use rights	34	35
Depreciation of property, plant and equipment	13,531	11,816
Net allowance for doubtful debts	5,649	4,884
Net bad debt written off	536	3,540
Net gain on disposal of:		
- property, plant and equipment	(4)	-
Unrealised foreign exchange gain arising from settlement of bridger loan	-	(63,443)
Loss from derivative instrument	831	-
Property, plant and equipment written off	520	700
Intangible assets written off	368	71
Net of inventories written off	515	42
Investment income	(2,565)	(4,639)
Share of results of:		
- Jointly controlled entities	(3,499)	(1,074)
- Associates	(537)	(115)
Operating profit before working capital changes	444,362	336,861
(Increase)/Decrease in inventories	(2,901)	3,824
Increase in receivables	(70,822)	(215,418)
Decrease in payables	(94,011)	(182,634)
Decrease in concession liabilities	(6,970)	(6,248)
Decrease in provision for liabilities	(2,463)	(2,927)
Cash generated from/(used in) operations	267,195	(66,542)
Tax and Zakat paid	(11,676)	(31,173)
Net cash generated from/(used in) from operating activities	**255,519**	**(97,715)**

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2016

	31.03.2016 RM'000 Unaudited	31.03.2015 RM'000 Unaudited
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of:		
- property, plant and equipment	(12,350)	(35,747)
- intangibles assets	(8,004)	(69,908)
- quoted shares	(818)	(26,530)
Acquisition in a subsidiary	-	(1,182,856)
Additional investment in an associate	-	(3,000)
Investment income received	2,565	4,639
Interest received	733	983
Net cash used in investing activities	**(17,874)**	**(1,312,419)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Share issuance expenses for right issue	-	(6,754)
Proceeds from issuance of shares from right issue	-	275,308
Proceeds of share premium arising from right issue	-	1,040,665
Repayment of loan	-	(705,742)
Concession payment	(423,701)	(379,705)
Drawdown of loans and borrowings	-	1,259,455
Interest paid	(45,564)	(45,955)
Dividends paid to shareholders of the Company	-	(12,825)
Net cash (used in) /generated from financing activities	**(469,265)**	**1,424,447**
Net (decrease)/increase in cash and cash equivalents	**(231,620)**	**14,313**
Effects of foreign currency translation	(58,827)	(57,691)
Cash and cash equivalents at beginning of period	1,286,886	2,041,233
Cash and cash equivalents at end of period	**996,439**	**1,997,855**
Cash and cash equivalents comprising:		
Cash and bank balances	307,267	1,487,882
Short term deposits	689,172	509,973
	996,439	**1,997,855**
Cash and bank balances - Discontinued operation (Note 13)	151	104
	996,590	**1,997,959**

The condensed unaudited consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

1. BASIS OF PREPARATION

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

The interim condensed consolidated financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015. These explanatory notes attached to the interim condensed consolidated financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2015, except as follows:

On 1 January 2016, the Group adopted the following new and amended FRS mandatory for annual financial periods beginning on or after 1 January 2016.

<u>Effective for financial periods beginning on or after 1 January 2016</u>

Annual Improvements to FRSs 2012 – 2014 Cycle
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants
Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 127: Equity Method in Separate Financial Statements
Amendments to FRS 101: Disclosure Initiatives
FRS 14 Regulatory Deferral Accounts

The application of the above amendments had no material impact on the financial position or disclosure in the Group’s financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Standards issued but not yet effective

Effective for financial periods beginning on or after 1 January 2018

FRS 9 Financial Instruments
MFRS 15 Revenue from Contracts with Customers
Amendments to FRS 10 and FRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

FRS 9 Financial Instruments

In November 2014, the Malaysian Accounting Standards Board issued the final version of FRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 139 Financial Instruments: Recognition and Measurement and all previous versions of FRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. FRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

MFRS 15 Revenue from Contracts with Customer

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFR 118 Revenue, MFRS 111 Contruction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with an early adoption permitted. The Directors anticipate that the application of MFRS 15 will have a material impact on the amounts reported and disclosures made in the Group's and the Company's financial statements. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

The amendments clarify that:

- gains and losses resulting from transactions involving assets that do not constitute a business, between investor and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture: and

- gains and losses resulting from transactions involving the sale or contribution to an associate of a joint venture of assets that constitute a business is recognised in full.

The amendments are to be applied prospectively to the sale or contribution of assets occurrring in annual periods beginning on or after a date to be determined by Malaysian Accounting Standards Board. Early application is permitted. These amendments are not expected to have any impact on the Group.

Malaysian Financial Reporting Standards (MFRS Framework)

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

The MFRS Framework is a fully IFRS-compliant framework which is applicable for all non-private entities for annual periods beginning on or after 1 January 2012, other than Transitioning Entities (TEs), which may defer adoption in view of potential changes on the horizon which may change current accounting treatments. On 8 September 2015, MASB had announced the adoption of MFRS for TEs is deferred to 1 January 2018.

TEs are non-private entities within the scope of MFRS 141 – Agriculture and IC Interpretation 15 –Agreements for the Construction of Real Estate, including their parent, significant investor and venturer. The Group being a TE, will adopt the MFRS Framework with effect from 1 January 2018.

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 2018.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2015 was not qualified.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

Airport services segment and duty free and non-dutiable goods segment, being the core businesses of the Group were not materially affected by any seasonality or cyclicality during the current quarter under review.

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

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

6. SEGMENT INFORMATION

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

Malaysia Operations

Airport operations:-

a) Airport services
To manage, operate and maintain designated airports and to provide airport related services.

b) Duty free and non-dutiable goods
To operate duty free and non-duty free outlets and provide services in respect of food and beverage outlets at designated airports in Malaysia.

Non-airport operations:-

c) Project and repair maintenance
To provide consultancy, operations and maintenance, mechanical and civil engineering services in connection with the airport industry.

d) Hotel
To manage and operate a group of hotel, known as Sama – Sama Hotel, Sama-Sama Express KLIA and Sama-Sama Express klia2.

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

f) Others
Investment holdings and dormant companies.

Overseas Operations

a) Airport operations
To manage, operate and maintain the Istanbul Sabiha Gokcen International Airport (“ISGIA”) in Turkey and to provide airport related services.

b) Project and repair maintenance
To provide facilities maintenance services at Hamad International Airport (“HIA”).

6. SEGMENT INFORMATION (Contd.)

	Continuing Operations										Discontinued Operation	Total Operations
	Malaysia Operations						Overseas Operations					
	Airport Operations		Non Airport Operations									
	Airport services	Duty free and non-dutiable goods	Project & repair and maintenance	Hotel	Agriculture & horticulture	Others	Airport operations	Project & repair and maintenance	Consolidation adjustments	TOTAL		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
For the period ended 31 March 2016												
Segment Revenue												
External:												
Aeronautical	384,796	-	-	-	-	-	118,704	-	-	503,500	-	503,500
Non-aeronautical:												
Retail	-	183,499	-	-	-	-	-	-	-	183,499	-	183,499
Others	164,486	223	-	-	-	-	102,984	-	-	267,693	-	267,693
Non airport Operations	-	-	3,911	19,054	6,780	-	2,896	32,136	-	64,777	-	64,777
Inter-segment sales	54,506	73	15,715	45	1,414	-	16,315	-	(88,068)	-	-	-
Total Revenue	603,788	183,795	19,626	19,099	8,194	-	240,899	32,136	(88,068)	1,019,469	-	1,019,469
Segment Results												
Profit from operations	254,112	19,370	4,932	4,479	1,081	51,332	166,185	2,957	(51,860)	452,588	-	452,588
Depreciation and amortisation	(114,088)	(2,878)	(89)	(4,002)	(1,014)	(3,771)	(71,265)	(194)	(52,342)	(249,643)	-	(249,643)
Finance costs	(60,741)	12	84	6	-	(40,170)	(114,393)	-	46,430	(168,772)	-	(168,772)
Share of results of:												
- associates	537	-	-	-	-	-	-	-	-	537	-	537
- jointly controlled entities	-	-	-	-	-	3,499	-	-	-	3,499	-	3,499
Profit /(loss) before tax and zakat	79,820	16,504	4,927	483	67	10,890	(19,473)	2,763	(57,772)	38,209	-	38,209
Tax and Zakat	(27,161)	(1,085)	(1,139)	(123)	151	(440)	(3,631)	(249)	11,971	(21,706)	-	(21,706)
Profit/(loss) for the period	52,659	15,419	3,788	360	218	10,450	(23,104)	2,514	(45,801)	16,503	-	16,503
As at 31 March 2016												
Assets and Liabilities												
Segment assets	10,792,833	228,760	123,264	154,499	83,890	12,450,050	6,123,233	123,602	(9,163,667)	20,916,464	151	20,916,615
Investment in associates	35,022	-	-	-	-	-	-	-	-	35,022	-	35,022
Investment in jointly controlled entities	-	-	-	-	-	75,169	-	-	-	75,169	-	75,169
Total assets	10,827,855	228,760	123,264	154,499	83,890	12,525,219	6,123,233	123,602	(9,163,667)	21,026,655	151	21,026,806
Segment liabilities representing												
Total liabilities	6,890,766	194,139	54,912	69,535	17,929	6,231,635	7,104,154	86,122	(8,282,532)	12,366,660	19	12,366,679

6. SEGMENT INFORMATION (Contd.)

	Continuing Operations										Discontinued Operations	Total Operations
	Malaysia Operations						Overseas Operations					
	Airport Operations		Non Airport Operations									
	Airport services	Duty free and non-dutiable goods	Project & repair and maintenance	Hotel	Agriculture & horticulture	Others	Airport operations	Project & repair and maintenance	Consolidation	TOTAL		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
For the period ended 31 March 2015												
Segment Revenue												
External:												
Aeronautical	332,536	-	-	-	-	-	88,907	-	-	421,443	-	421,443
Non-aeronautical:										-		-
Retail	-	158,636	-	-	-	-	-	-	-	158,636	-	158,636
Others	150,866	243	-	-	-	-	89,689	-	-	240,799	-	240,799
Construction	-	-	-	-	-	-	-	-	-	-	-	-
Non-airport operations	-	-	5,017	19,019	5,857	-	3,060	22,349	-	55,302	-	55,302
Internal	59,607	211	15,176	190	1,247	-	9,743	-	(86,174)	-	-	-
	543,009	159,090	20,193	19,209	7,104	-	191,399	22,349	(86,174)	876,179	-	876,179
Segment Results												
Profit from operations (excluding construction profit)	214,087	(14,829)	6,159	2,676	1,353	124,942	124,143	(3,863)	(51,398)	403,270	-	403,269
Depreciation and amortisation	(108,739)	(3,167)	(60)	(3,948)	(1,015)	(2,990)	(45,823)	(123)	(39,385)	(205,250)	-	(205,250)
Finance costs	(60,814)	36	(20)	-	-	(40,909)	(103,788)	-	45,582	(159,913)	-	(159,913)
Share of results of associates:												
- associates	115	-	-	-	-	-	-	-	-	115	-	115
- jointly controlled entities	-	-	-	-	-	1,074	-	-	-	1,074	-	1,074
Profit /(loss) before tax and zakat	44,649	(17,960)	6,079	(1,272)	338	82,117	(25,468)	(3,986)	(45,201)	39,296	-	39,296
Tax and Zakat	(15,583)	(1,819)	(1,627)	362	(88)	4,132	(1,302)	358	8,268	(7,299)	-	(7,299)
Profit/(loss) for the period	29,066	(19,779)	4,452	(910)	250	86,249	(26,770)	(3,628)	(36,933)	31,997	-	31,997
As at 31 March 2015												
Assets and Liabilities												
Segment assets	12,187,372	271,142	107,540	177,696	85,659	15,156,367	5,581,871	61,109	(11,790,361)	21,838,395	104	21,838,499
Investment in associates	42,149	-	-	-	-	-	-	-	-	42,149	-	42,149
Investment in jointly controlled entities	-	-	-	-	-	63,488	-	-	-	63,488	-	63,488
Total assets	12,229,521	271,142	107,540	177,696	85,659	15,219,855	5,581,871	61,109	(11,790,361)	21,944,032	104	21,944,136
Segment liabilities representing												
Total liabilities	8,329,984	213,221	19,714	94,667	17,577	8,992,666	6,414,167	47,332	(10,780,567)	13,348,761	26	13,348,787

7. PROFIT BEFORE TAX AND ZAKAT

	CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000
Included in Other Income:		
Interest income:		
-Unquoted Investment, quoted bond and staff loan	733	983
-Other loan and receivables	7,644	4,751
-Gain on financial instrument at fair value through profit or loss	400	1,303
Investment income	2,565	4,639
Net realised foreign exchange gain	1,149	959
Unrealised foreign exchange gain	-	63,443
Net gain on disposal of property, plant and equipment	4	-
Recoupment of expenses	17,316	30,900
Included in Other Expenses:		
Net provision of doubtful debts allowance	5,649	4,884
Net bad debt written off	536	3,540
Property, plant and equipment written off	520	700
Intangible assets written off	368	71
Net inventories written off	515	42
User fee	83,096	67,800
Included in Finance Cost:		
Interest expense:		
- Concession payables and borrowings	68,140	70,244
- Financial liabilities	100,632	89,669

8. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the result for current quarter under review.

9. DEBT AND EQUITY SECURITIES

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

10. DIVIDENDS PAID

A single-tier final dividend of 4.50 sen per ordinary share amounting to RM74.7 million in respect of the financial year ended 31 December 2015 was approved by the Shareholders at its Annual General Meeting held on 27 April 2016.

Save for the foregoing, there were no other dividends paid or declared during the current quarter under review.

11. CARRYING AMOUNT OF REVALUED ASSETS

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

12. CHANGES IN COMPOSITION OF THE GROUP

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

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

On 18 September 2013, KL Airport Hotel Sdn Bhd had issued a written notice of termination to ATOZ Hospitality Services Sdn Bhd ("ATOZ"), to terminate Sama-Sama Hospitality Management Sdn Bhd ("SSHM").

As at 31 March 2016, the assets and liabilities of SSHM have been presented on the consolidated statements of financial position as assets and liabilities held for disposal and the results from SSHM was presented separately on the statement of profit or loss as discontinued operation.

The Board of Directors of MAHB, had on 25 November 2014 approved for the striking off or winding up of SSHM via a court order, after attempt to have SSHM wound up via voluntary winding up failed. Subsequently, on 6 November 2015, ATOZ has applied for an intervener application. The Winding-Up Petition, Intervention Application and Stay Application have been fixed for hearing on 5 May 2016.

13. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR DISPOSAL (Cont'd)

There were no movement in the Income Statements of the discontinued operation in the current quarter under review.

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

	31.03.2016	31.12.2015
	RM'000	RM'000
	Unaudited	Audited
Assets		
Cash & bank balances	151	151
Liabilities		
Other payables	19	19

14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Financial Guarantee

i) As of 31 March 2016, Istanbul Sabiha Gokcen ("ISG") has given three letters of guarantee, totalling to Euro 100.7 million, equivalent to RM446.1 million (Q1 2015: Euro 109.2 million, equivalent to RM433.7 million) are provided to the Administration (representing 6% of total amount payable to the Administration for the right to operate the Facility as set out in the Concession Agreement).

ii) As of 31 March 2016, LGM Havalimani Isletmeleri Ticaret ve Turizm A.S. ("LGM") has given letter of guarantee to Havaalani Isletme Ve Havacilik Endustrileri A.S. ("HEAS") amounting to Euro 441.5 thousand, equivalent to RM2.0 million for the rental of the hangar operations (Q1 2015: nil).

The Group has assessed the financial guarantee contracts and concluded that the guarantees are more likely not to be called upon and accordingly not recognised as financial liability as at 31 March 2016.

Save for the above, there were no other financial guarantees.

14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS(Cont'd)

b) Contingent Liability

i) ISG is involved in, and may from time to time be involved in a number of legal proceedings. There are 227 (Q1 2015 : 274) employee lawsuits filed against ISG either directly or indirectly via sub-contractors. The total amount of claims against the Group is Euro 1.1 million, equivalent to RM4.9 million (Q1 2015: Euro 1.2 million, equivalent to RM4.6 million). The Group recognised a provision for these claims of Euro 0.6 million, equivalent to RM2.7 million (Q1 2015: Euro 0.3 million, equivalent to RM1.4 million) in the consolidated financial statements considering that ISG cannot establish the rest of the claims and that a probable loss will occur.

ii) The tax authority had argued on the management fees invoices for 2010 that LGM received from the shareholders should be viewed as dividend distributions since there was inadequate proof that services were provided by the shareholders. As a result of this, LGM had in 2015 paid TL 1.3 million, equivalent to Euro 399.0 thousand or RM1.9 million to the tax authority.

No tax investigations have been commissioned for 2012-2014 by the government and it is not known whether an investigation will be initiated before the expiry.

If, however, a tax audit is initiated in the future and in the event that the tax auditor disputes the management fees, the total exposure would be a tax charge of TL 5.4 million, equivalent to Euro 1.7 million or RM8.0 million and tax penalties of TL 10.4 million, equivalent to Euro 3.3 million or RM15.3 million for the three years in question. If a reconciliation were to be reached with the tax office at the same terms that was achieved in 2015 settlement, the exposure would be a tax charge of TL 3.7 million, equivalent to Euro 1.2 million or RM5.5 million and tax penalty of TL 415.0 thousand, equivalent to Euro 131.0 thousand or RM612.0 thousand. The amount including interest of TL 1.4 million, equivalent to Euro 442.0 thousand or RM2.0 million to 31 March 2016 would have been TL 5.6 million, equivalent of Euro 1.8 million or RM8.0 million.

iii) On 20 August 2015, Malaysia Airports (Properties) Sdn. Bhd. ("MAP") received a Notice of Arbitration from Kuala Lumpur Aviation Fuelling System Sdn. Bhd. ("KAFS") in respect of the alleged losses and damages in the sum of RM28.3 million pertaining to among others, design changes under the Airport Facilities Agreement (''AFA'') dated 26 September 2007. Both parties have appointed an arbitrator. The next preliminary meeting for case management has been fixed on 28 June 2016.

Save for the above, there were no other contingent liabilities. The Group has no contingent assets.

15. RELATED PARTY TRANSACTIONS AND BALANCES

Related Party Transaction:

	INDIVIDUAL QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter
	31.03.2016 RM'000	31.03.2015 RM'000
Revenue:		
Associate:		
Lease rental		
- KL Aviation Fuelling System Sdn. Bhd.	1,489	1,489
Jointly Controlled Entities:		
Lease rental		
- Segi Astana Sdn. Bhd.	318	318
- Airport Cooling Energy Supply Sdn. Bhd.	222	222
- MFMA Development Sdn Bhd	761	-
Concession Fee		
- MFMA Development Sdn Bhd	142	142
Water, electricity & sewerage		
- MFMA Development Sdn Bhd	1,119	-
Expenses:		
Jointly Controlled Entities:		
Airport Cooling Energy Supply Sdn. Bhd.		
- Utilities	8,031	8,031
- Utilities (Variable usage)	3,295	3,473
- Less: Rebate	(1,542)	(962)
- Interest on concession payable	5,340	5,340
Segi Astana Sdn. Bhd.		
- Rental of shops and warehouse	349	707
- Water and electricity	30	73
Other Transactions:		
Jointly Controlled Entities:		
Airport Cooling Energy Supply Sdn. Bhd.		
- Payment on concession payable	2,675	2,675

15. RELATED PARTY TRANSACTIONS AND BALANCES

Related Party Balances:

	As at 31.03.2016 RM'000 Unaudited	As at 31.12.2015 RM'000 Audited
Amount owing by associated company	526	-
Amount owing to jointly controlled entities	1,285	7,322
Amount owing by jointly controlled entities	1,185	1,862
Amount owing to other related party	1,504	500

16. COMMITMENTS

The amount of commitments for the lease rental, purchase of intangible asset, property, plant and equipment and other investment not provided for in the interim condensed consolidated financial statements as at 31 March 2016 were as follows:

	Due year 2016 RM'000	Due year 2017 to 2020 RM'000	Due year 2021 to 2066 RM'000	Total RM'000
(i) Approved and contracted for:				
Lease rental payable to the GoM other than within the operating agreements	-	-	66,063	66,063
Capital expenditure	124,081	-	-	124,081
	124,081	-	66,063	190,144
(ii) Approved but not contracted for:				
Capital expenditure	428,231	-	-	428,231
(iii) Other investment:				
Investment in ISG	-	232,708	-	232,708
Investment in MFMA Development Sdn. Bhd.	-	51,012	-	51,012
	552,312	283,720	66,063	902,095

17. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter under review that requires disclosure or adjustments to the interim financial statements.

18. PERFORMANCE REVIEW

	INDIVIDUAL QUARTER	
	Current Year Quarter 31.03.2016 RM'000	**Preceding Year Corresponding Period 31.03.2015 RM'000**
Revenue	1,019,469	876,179
Profit before tax and zakat	38,209	39,296

<u>Quarter-on-Quarter</u>

<u>Revenue</u>

The consolidated revenue of the Group for the current quarter under review amounted to RM1,019.5 million was 16.4% or RM143.3 million higher than the same corresponding quarter last year.

Included in the Group's consolidated revenue, were the revenues recognised in ISG and LGM amounted to RM224.6 million, which was 23.6% or RM42.9 million higher than the same corresponding quarter last year.

i) <u>Airport operations</u>

Revenue from airport operations for the current quarter under review amounted to RM954.7 million, 16.3% or RM133.6 million higher than the corresponding period in 2015.

18. PERFORMANCE REVIEW

Quarter-on-Quarter (Contd.)

Included in revenue from airport operations, were revenues contributed by ISG and LGM which was 24.0% or RM42.9 million higher than the corresponding quarter last year (Q1 2016: RM221.7 million; Q1 2015: RM178.8 million). Excluding ISG and LGM, revenue from airport operations was 14.1% or RM90.7 million higher than the corresponding quarter last year (Q1 2016: RM733.0 million; Q1 2015: RM642.3 million).

The increase in the Group's airport operations revenue was mainly attributed to the increase in aeronautical revenue. Aeronautical revenue increased by 19.5% or RM82.1 million (Q1 2016: RM503.5 million; Q1 2015: RM421.4 million), mainly due to Malaysia aeronautical revenue which increased by 15.7% or RM52.3 million (Q1 2016: RM384.8 million; Q1 2015: RM332.5 million). The main contributing factors to the increase in revenue was higher PSC and PSSC revenue by 11.3% or RM23.9 million and higher MARCS PSC by 25.8% or RM5.8 million owing to higher passenger growth. The favourable variance was also due to higher MARCS ERL by 223.2% or RM18.4 million resulting from higher PSC collection and lower Airline Incentives by 39.7% or RM8.4 million.

The increase in aeronautical revenue was also contributed by the revenue from ISG which increased by 33.5% or RM29.8 million (Q1 2016: RM118.7 million; Q1 2015: RM88.9 million) mainly contributed by higher PSC revenue by 32.3% or RM21.9 million.

The increase in non-aeronautical revenue correspondingly contributed to the favourable variance in the Group's airport operations revenue. Non-aeronautical revenue increased by 12.9% or RM51.6 million (Q1 2016: RM451.2 million; Q1 2015: RM399.6 million), when including non-aeronautical revenue from ISG and LGM which increased by 14.6% or RM13.1 million (Q1 2016: RM103.0 million; Q1 2015: RM89.9 million). Excluding ISG and LGM, non-aeronautical revenue increased by 12.4% or RM38.5 million (Q1 2016: RM348.2 million; Q1 2015: RM309.7 million). This improvement was driven by higher retail and rental revenue by 15.7% or RM24.9 million and 9.0% or RM13.6 million respectively.

The passenger movements for airports operated by MAHB in Malaysia for the current quarter under review increased by 3.4% to 21.1 million passengers as compared to the corresponding quarter last year of 20.4 million passengers. Both the international and domestic passenger movements increased by 6.0% and 1.0% respectively. Passenger movements at KLIA-Main Terminal decreased by 10.8% (international:-12.0%, domestic: -6.7%).Passenger movements at KLIA-LCCT/klia2 increased by 19.2% (international:+23.0%, domestic:+12.0%).

The passenger movements for ISGIA for the current quarter under review increased by 19.6% to 6.7 million passengers as compared to the corresponding quarter last year of 5.6 million passengers. The international and domestic passenger movements increased by 12.1% and 23.6% respectively.

18. PERFORMANCE REVIEW (Contd.)

Quarter-on-Quarter (Contd.)

ii) Non-airport operations

For the current quarter under review, the businesses from the non-airport segment registered an increase in revenue of 17.6% or RM9.7 million.

Excluding LGM, revenue from non-airport operations segment improved by 18.4 % or RM9.6 million (Q1 2016: RM61.9 million; Q1 2015: RM52.2 million). The improvement was largely contributed by revenue from the project and repair maintenance and agriculture segments which increased by 31.7% or RM8.7 million (Q1 2016: RM36.0 million; Q1 2015: RM27.4 million) and 15.8% or RM0.9 million (Q1 2016: RM6.8 million; Q1 2015: RM5.8 million) respectively.

The positive variance in the project and repair maintenance revenue in the current quarter was mainly due to higher revenue recorded from MACS Middle East LLC, a company that provides facilities maintenance services at HIA.

18. PERFORMANCE REVIEW (Contd.)

Quarter-on-Quarter (Contd.)

Profit before tax and zakat

The Group recorded a profit before taxation and zakat ("PBT") for the current quarter under review amounted to RM38.2 million as compared to a profit before taxation ("PBT") of RM39.3 million in the previous corresponding quarter, an unfavourable variance of 2.8% or RM1.1 million.

For the current quarter under review, ISG and LGM registered an improvement in loss before tax ("LBT") by 23.5% or RM6.0 million (Q1 2016: RM19.5 million; Q1 2015: RM25.5 million) prior to taking into account the loss of RM57.8 million (Q1 2015: RM45.2 million) recognised primarily due to the amortisation of fair value for the concession rights owing to the fair valuation exercise on the acquisition of ISG and LGM as compared to the previous corresponding quarter. The favourable variance was mainly due to higher revenue but negated by higher total cost by 24.0% or RM43.0 million and 19.2% or RM39.5 million respectively.

Excluding the results of ISG and LGM, the Group recorded higher PBT for the current quarter under review amounted to RM115.6 million as compared to RM110.0 million in the previous corresponding quarter, a favourable variance of 5.1% or RM5.6 million.

The favourable variance was mainly due to higher revenue but negated by lower other income by 62.0% or RM71.5 million and higher total cost by 3.7% or RM26.1 million. The lower other income was mainly due to unrealised gain arising from foreign currency translation of the bridger loan amounting to RM63.4 million recognised in 2015.

The increase in costs was mainly due to increases in user fees, depreciation and amortisation and utilities by 22.6% or RM15.3 million, 5.0% or RM6.0 million and utilities by 6.5% or RM4.8 million.

Excluding the loss of RM57.8 million, the improved LBT in ISG and LGM was due to higher revenue.

18. PERFORMANCE REVIEW (Contd.)

Share of results of associates and Jointly Controlled Entities (“JCE”)

Higher share of associate profit in the current quarter under review amounted to RM0.5 million as compared RM0.1 million for the same quarter in 2015. The favourable variance was due to lower share of loss of MFMA Development Sdn Bhd (“MFMA”) of RM0.4 million as compared RM0.9 million in the previous corresponding quarter. However, the favourable variance was negated by lower share of profit of KAFS of RM0.9 million as compared to RM1.0 million in the previous corresponding quarter.

Share of JCE profit in the current quarter under review amounted to RM3.5 million as compared to net profit of RM1.1 million for the same quarter last year, an improvement of 225.8% or RM2.4 million. The favourable variance was due to share of profit of Segi Astana Sdn Bhd (“SASB”) of RM1.8 million as compared to share of losses of RM0.3 million in the previous corresponding quarter. Airport Cooling Energy Supply Sdn Bhd (“ACES”) has contributed RM1.7 million share of profit as compared to RM1.4 million for the same quarter last year.

18. PERFORMANCE REVIEW (Cont'd)

ECONOMIC PROFIT STATEMENT

	INDIVIDUAL QUARTER	
	Current Year Quarter 31.03.2016 RM'000	Preceding Year Corresponding Period 31.03.2015 RM'000
Net Operating Profit Less Adjusted Tax (NOPLAT) computation.		
Earnings before interest and tax (EBIT*)	194,569	192,287
Adjusted Tax	(48,642)	(48,072)
NOPLAT	145,927	144,215
Economic charge computation		
Average invested capital	17,608,478	16,216,935
Weighted average cost of capital per annum	7.09%	6.29%
Economic Charge	312,110	255,011
Economic loss	(166,183)	(110,796)

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

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

The Group recorded economic loss of RM166.2 million for the current quarter under review as compared to economic loss of RM110.8 million recorded in the corresponding quarter last year. Higher economic loss in the current quarter under review was due to the higher average invested capital.

18. PERFORMANCE REVIEW (Cont'd)

HEADLINE KEY PERFORMANCE INDICATORS ("KPIs")

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

		Headline KPIs for year 2016		Actual achievements 31 March 2016	
		Without ISG & LGM	With ISG & LGM	Without ISG & LGM	With ISG & LGM
i)	EBITDA (RM'000)	901,807	1,724,389	284,221	452,588
ii)	Airport Service Quality Survey Ranking	Above 40 million passenger size category: KLIA Ranking Top 10		Above 40 mppa - ranking at no.10	

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

	INDIVIDUAL QUARTER	
	Current Year Quarter 31.03.2016 RM'000	Immediate Preceding Quarter 31.12.2015 RM'000
Revenue	1,019,469	1,036,142
Profit/(loss) before tax and zakat	38,209	(53,814)

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

Revenue

The consolidated revenue of the Group for the current quarter under review decreased by 1.6% or RM16.7 million as compared to the immediate preceding quarter, primarily owing to lower revenue from ISG and LGM by 4.8% or RM11.4 million and revenue from Malaysian airport operation by 0.7% or RM5.3 million.

a) Airport operation

Airport operations revenue was lower by 2.4% or RM23.7 million as compared to the immediate preceeding quarter (Q1 2016: RM954.7 million; Q4 2015: RM978.4 million). The decrease was mainly attributed to Malaysian airport operations by 1.7% or RM12.6 million (Q1 2016: RM733.0 million; Q4 2015: RM745.6 million) and ISG and LGM by 4.8% or RM11.1 million (Q1 2016: RM221.7 million; Q4 2015: RM232.8 million).

The unfavourable variance in Malaysia was mainly due to the decrease of non-aeronautical revenue mainly attributable to lower retail and rental revenues which decreased by 5.2% or RM10.1 million and 2.1% or RM3.5 million respectively.

The unfavourable variance in ISG and LGM airport operations revenue was mainly due to the decreased in aeronautical and non-aeronautical revenues by 5.0% or RM6.3 million and 4.5% or RM4.8 million respectively.

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

The passenger movements for airports operated by MAHB in Malaysia for the current quarter under review decreased by 1.4% as compared to the immediate preceding quarter, in which domestic passenger movements decreased by 3.9% while international passenger movement increased by 1.2%. Passenger movements decreased at both KLIA-Main Terminal by 1.8 % (international: -0.8%, domestic: -4.9%) and KLIA-LCCT/klia2 by 0.5% (international: +0.8%, domestic:-3.2%).

The passenger movements for ISGIA for the current quarter under review decreased by 4.1% to 6.7 million passengers as compared to the preceding quarter 7.0 million passengers. The international and domestic passenger movements decreased by 7.0% and 2.7% respectively.

b) Non-airport operations

Non-airport operations revenue was higher by 12.2% or RM7.1 million as compared to the immediate preceeding quarter mainly contributed by Malaysian operation which increased by 13.4% or RM7.3 million (Q1 2016: RM61.9 million; Q4 2015: RM54.6 million) while revenue from LGM decreased by 7.5% or RM0.2 million (Q1 2016: RM2.9 million; Q4 2015: RM3.1 million).

The favourable variance in Malaysian operation was mainly due to the higher revenue recorded by the project and repair maintenance and agriculture segments by 35.6% or RM9.5 million and 6.8% or RM0.4 million respectively. The overall increase was negated by lower revenues in the hotel segment by 12.0% or RM2.6 million.

Profit before tax and zakat

The Group recorded PBT of RM38.2 million in the current quarter under review, a favourable variance of 171.1% or RM92.1 million than the LBT of RM53.8 million recorded in the preceding quarter.

In the current quarter under review, ISG and LGM registered an unfavourable variance in LBT by 2602.0% or RM18.8 million (Q1 2016: RM19.5 million; Q4 2015: RM0.7 million) prior to taking into account the loss recognised primarily due to amortisation of fair value of the concession rights in the current quarter and immediate preceding quarter of RM57.8 million and RM59.5 million respectively.The unfavourable variance was mainly due to lower revenue.

PBT excluding ISG and LGM was RM115.6 million, a favourable variance by 1706.0% or RM109.2 million as compared to a PBT of RM6.4 million recorded in the preceding quarter.

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

The favourable variance in PBT was due to lower total costs by 14.9% or RM127.0 million mainly due to lower provision for doubtful debt by 84.4% or RM30.5 million, administrative costs by 46.6% or RM30.2 million, repair maintenance by 32.0% or RM24.7 million, finance costs by 30.5% or RM20.5 million and depreciation and amortisation by 9.4% or RM13.1 million.

20. COMMENTARY ON PROSPECTS

The inherent demand for air travel continues to remain positive. Despite the double digit cut in Malaysia Airlines frequencies, 3.4% growth for the first quarter is credible. The cut in frequencies have been more than replaced by higher load factors and other airlines operations. Similar to Q1 2016, Q2 2016 has equally lower seat offerings compared to Q2 2015. Q2 2016 has the advantage of Malaysia Airlines' consolidation and its maturing code share agreement with Emirates. AirAsia and Malindo are also aggressively positioning for further growth. As such the improving average load factor would likely stretch to the second quarter.

From our analysis, the increase in Air Navigator Facility charges would not affect the demand for travel as the cost implication per passenger is minimal. Demand for air travel is essentially driven by GDP, destination attractiveness, population and price of air travel. Over the years, there have been several revisions of various charges including fuel prices that increased manifold. Despite this, passenger traffic continued to grow resiliently at our airports. We believe, as in the past air travel will continue to be driven mainly by economic and tourism factors. In addition, we expect China traffic would continue to grow with the introduction of eVisa and Visa Waiver initiative that has recently been implemented.

MAHB is optimistic its final passenger numbers would at least meet the estimated 2.5% growth for 2016. It is also likely that the seat capacity offerings will improve from the third quarter onwards.

ISGIA is expected to maintain its cumulative growth in the range of 20% until the first half of 2016. Some softening of the demand is possible beyond June depending on the level of optimisation of capacity.

21. PROFIT FORECAST

This note is not applicable, as the Group did not publish any profit forecast.

22. TAXATION AND ZAKAT

	INDIVIDUAL QUARTER	
	Current Year Quarter 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000
Current tax	32,160	32,467
Deferred taxation	(10,454)	(25,168)
	21,706	7,299

23. SALE OF PROPERTIES

There were no sales of properties since 31 December 2015.

24. INVESTMENTS IN QUOTED SECURITIES

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

25. STATUS OF CORPORATE PROPOSALS

There are no ongoing corporate proposals announced by the Group but not completed as at 26 April 2016 being a date not earlier than 7 days from the date of issuance of the quarterly report.

26. BORROWINGS AND DEBT/EQUITY SECURITIES

	As at 31.03.2016 RM'000 unaudited	As at 31.12.2015 RM'000 audited
Short term borrowings		
Unsecured:		
Senior Sukuk	250,000	250,000
Secured:		
Senior Term Facility	155,144	148,308
	405,144	398,308
Long term borrowings		
Unsecured:		
Islamic Medium Term Notes ("IMTN")	3,100,000	3,100,000
Senior Sukuk	250,000	250,000
Secured:		
Senior term facility	2,032,332	2,150,007
	5,382,332	5,500,007
	5,787,476	5,898,315

27. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 31 March 2016.

28. CHANGES IN MATERIAL LITIGATION

There was no material suit against the Group and its subsidiaries since 31 December 2015.

29. DIVIDEND PAYABLE

Final dividend in respect of the financial year ended 31 December 2015 was approved by the shareholders at its Annual General Meeting as per note 10. There were no other dividends paid or declared during the current quarter under review.

30. EARNINGS PER SHARE ("EPS")

Basic EPS

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

	Current Year Quarter 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000
Profit from continuing operations attributable to owners of the parent	16,503	31,997
Distribution to Perpetual Sukuk Holder	(14,335)	(14,180)
Net (loss)/profit from continuing operations attributable to owners of the parent	2,168	17,817
Loss from a discontinued operation attributable to equity holders of the Company	-	-
(Loss)/Profit attributable to equity holders of the Company	2,168	17,817
Weighted average number of ordinary shares in issue ('000)	1,659,192	1,388,166
Basic earning per share for (sen):		
(Loss)/Profit from continuing operations	0.13	1.28
Loss from discontinued operation	-	-
Basic earnings per share (sen)	0.13	1.28

30. EARNINGS PER SHARE ("EPS")

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

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

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	4,024,057	4,012,317
- Unrealised	150,266	95,902
	4,174,323	4,108,219
Total share of retained earnings/(accumulated losses) from associate companies:		
- Realised	(4,047)	69,632
- Unrealised	18,394	(3,836)
	14,347	65,796
Total share of retained earnings/(accumulated losses) from jointly controlled entities:		
- Realised	(7,043)	14,318
- Unrealised	8,696	(5,622)
	1,653	8,696
Less: Consolidation Adjustments	(1,738,154)	(1,733,220)
Total retained earnings as per financial statements	2,452,169	2,449,491

32. AUTHORISATION FOR ISSUE

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

BY ORDER OF THE BOARD

Sabarina Laila Dato' Mohd Hashim
Company Secretary
Sepang
27 April 2016