

Traffic snapshot

- Total MAHB network of airports (including Istanbul SGIA) registered a 9.5% growth for June 2018 over June 2017 with 11.2million passenger movements, the highest growth for the year. International and domestic sectors registered a growth of 9.0% and 10.0% respectively.
- The high 9.5% was mainly due to Eid Al-Fitr holiday season. In Malaysia, the holiday season coincided with the 2 weeks mid-term school holidays break as well.
- On a twelve-month basis, 131.1million passengers recorded a growth of 5.7% for the MAHB network. This is the highest passenger movements recorded to-date for MAHB network of airports.
- 1H18 passenger traffic registered 5.2% growth with 64.9million passenger movements. International sector grew by 8.3% while domestic sector grew by 2.5%.
- Malaysia passenger movements registered 9.7% growth in June 2018, the highest growth registered for a month in 2018. International and domestic sector traffic grew by 8.3% and 11.1% respectively for June 2018. Domestic sector registered the first positive growth since November 2017.
- KLIA Main Terminal and klia2 recorded a growth of 6.7% and 12.5% respectively over June 2017 passenger movements.
- Istanbul SGIA total passenger traffic grew by 9.1%. International traffic grew by 12.0% while domestic traffic grew by 7.7%.

Passenger Traffic Snapshot ('000), June 2018

Total	2018	2017	% YOY	2018	2017	%YOY	2018	2017	%YOY
	June			Year- to-date			'LTM		
KLIA	4,982	4,542	9.7%	29,708	28,471	4.3%	59,792	56,292	6.2%
<i>International</i>	3,514	3,286	6.9%	21,609	20,434	5.7%	43,617	39,994	9.1%
<i>ASEAN</i>	1,736	1,596	8.8%	10,257	9,655	6.2%	20,603	18,664	10.4%
<i>Non-ASEAN</i>	1,778	1,691	5.2%	11,352	10,780	5.3%	23,014	21,330	7.9%
<i>Domestic</i>	1,468	1,255	16.9%	8,099	8,037	0.8%	16,175	16,299	-0.8%
MASB Airports	3,395	3,096	9.6%	19,023	18,856	0.9%	38,249	37,877	1.0%
<i>International</i>	693	597	16.0%	3,916	3,305	18.5%	7,623	6,471	17.8%
<i>ASEAN</i>	416	371	12.0%	2,288	1,987	15.1%	4,512	3,962	13.9%
<i>Non-ASEAN</i>	277	226	22.7%	1,628	1,318	23.5%	3,110	2,509	23.9%
<i>Domestic</i>	2,702	2,500	8.1%	15,108	15,552	-2.9%	30,627	31,406	-2.5%
Total MAHB	8,377	7,638	9.7%	48,732	47,327	3.0%	98,041	94,169	4.1%
Istanbul SGIA^a	2,803	2,570	9.1%	16,202	14,412	12.4%	33,106	29,901	10.7%
Total MAHB System	11,180	10,208	9.5%	64,933	61,739	5.2%	131,147	124,070	5.7%

International	2018	2017	% YOY	2018	2017	%YOY	2018	2017	%YOY
	June			Year- to-date			LTM		
KLIA	3,514	3,286	6.9%	21,609	20,434	5.7%	43,617	39,994	9.1%
ASEAN	1,736	1,596	8.8%	10,257	9,655	6.2%	20,603	18,664	10.4%
Non-ASEAN	1,778	1,691	5.2%	11,352	10,780	5.3%	23,014	21,330	7.9%
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Non-ASEAN	277	226	22.7%	1,628	1,318	23.5%	3,110	2,509	23.9%
Total KLIA & MASB	4,207	3,883	8.3%	25,524	23,739	7.5%	51,239	46,465	10.3%
ASEAN	2,152	1,967	9.4%	12,545	11,642	7.8%	25,115	22,626	11.0%
Non-ASEAN	2,055	1,916	7.2%	12,980	12,097	7.3%	26,124	23,839	9.6%
Istanbul SGIA	912	814	12.0%	5,255	4,671	12.5%	10,923	9,697	12.6%
Total MAHB System	5,118	4,697	9.0%	30,779	28,409	8.3%	62,162	56,162	10.7%

Domestic	2018	2017	% YOY	2018	2017	%YOY	2018	2017	%YOY
	June			Year- to-date			LTM		
KLIA	1,468	1,255	16.9%	8,099	8,037	0.8%	16,175	16,299	-0.8%
MASB Airports	2,702	2,500	8.1%	15,108	15,552	-2.9%	30,627	31,406	-2.5%
Total	4,170	3,755	11.1%	23,207	23,588	-1.6%	46,802	47,704	-1.9%
Istanbul SGIA	1,891	1,756	7.7%	10,947	9,742	12.4%	22,182	20,204	9.8%
Total MAHB System	6,062	5,510	10.0%	34,154	33,330	2.5%	68,984	67,908	1.6%

*June is preliminary, where main variations if any lie largely from the non-scheduled or charter flights at domestic airports

**MASB Airports refers to the 38 Malaysian airports other than KLIA/KUL operated by Malaysia Airports Sdn Bhd.

¹LTM refers to the last twelve months, up to and including the month in question

²Istanbul SGIA is Istanbul Sabiha Gokcen International Airport with the SAW three-letter International Air Transport Association (IATA) code

KLIA Main & klia2 Passenger Traffic Snapshot ('000), June 2018

Airport	2018	2017	% YOY	2018	2017	%YOY	2018	2017	%YOY
	June			Year- to-date			LTM		
KLIA Main Total	2,330	2,184	6.7%	13,734	13,933	-1.4%	28,088	28,195	-0.4%
International	1,809	1,685	7.3%	11,078	10,596	4.6%	22,610	21,055	7.4%
ASEAN	754	693	8.7%	4,353	4,145	5.0%	8,756	8,067	8.5%
Non-ASEAN	1,055	992	6.4%	6,725	6,451	4.3%	13,854	12,988	6.7%
Domestic	521	499	4.5%	2,656	3,337	-20.4%	5,478	7,140	-23.3%
klia2 Total	2,652	2,358	12.5%	15,974	14,538	9.9%	31,704	28,097	12.8%
International	1,705	1,602	6.5%	10,531	9,838	7.0%	21,006	18,939	10.9%
ASEAN	983	902	8.9%	5,904	5,510	7.2%	11,847	10,597	11.8%
Non-ASEAN	723	699	3.4%	4,627	4,329	6.9%	9,160	8,342	9.8%
Domestic	946	756	25.2%	5,444	4,699	15.8%	10,698	9,159	16.8%

Aircraft Traffic Snapshot, June 2018

Total	2018	2017	% YOY	2018	2017	%YOY	2018	2017	%YOY
	June			Year- to-date			LTM		
KLIA	33,031	31,136	6.1%	196,975	187,532	5.0%	395,497	370,490	6.7%
MASB Airports	38,060	37,137	2.5%	227,842	230,989	-1.4%	458,911	464,725	-1.3%
Total	71,091	68,273	4.1%	424,817	418,521	1.5%	854,408	835,215	2.3%
Istanbul SGIA	19,185	18,052	6.3%	107,524	100,460	7.0%	217,988	213,378	2.2%
Total MAHB System	90,276	86,325	4.6%	532,341	518,981	2.6%	1,072,396	1,048,593	2.3%

International	2018	2017	% YOY	2018	2017	%YOY	2018	2017	%YOY
	June			Year- to-date			LTM		
KLIA	22,606	21,743	4.0%	136,562	127,462	7.1%	276,017	249,566	10.6%
MASB Airports	5,935	5,209	13.9%	35,851	30,520	17.5%	69,522	60,612	14.7%
Total	28,541	26,952	5.9%	172,413	157,982	9.1%	345,539	310,178	11.4%
Istanbul SGIA	6,971	6,404	8.9%	38,458	36,098	6.5%	78,713	76,763	2.5%
Total MAHB System	35,512	33,356	6.5%	210,871	194,080	8.7%	424,252	386,941	9.6%

Domestic	2018	2017	% YOY	2018	2017	%YOY	2018	2017	%YOY
	June			Year- to-date			LTM		
KLIA	10,425	9,393	11.0%	60,413	60,070	0.6%	119,480	120,924	-1.2%
MASB Airports	32,125	31,928	0.6%	191,991	200,469	-4.2%	389,389	404,113	-3.6%
Total	42,550	41,321	3.0%	252,404	260,539	-3.1%	508,869	525,037	-3.1%
Istanbul SGIA	12,214	11,648	4.9%	69,066	64,362	7.3%	139,275	136,615	1.9%
Total MAHB System	54,764	52,969	3.4%	321,470	324,901	-1.1%	648,144	661,652	-2.0%

Traffic performance at Malaysia Airports Holdings Berhad's (MAHB) network of airports

MAHB's network of airports (including Istanbul SGIA) handled 11.2million passengers in June 2018, a growth of 9.5% over June 2017. International traffic recorded 5.1million passengers with a year-on-year growth of 9.0% while domestic traffic grew by 10.0% compared with June 2017, recording 6.1million passengers. On a last-twelve-month basis, the total MAHB network of airports registered 5.7% growth with 131.1million passengers over a 12-month period. Overall aircraft movements grew by 4.6% with international movements registering an increase of 6.5% while the domestic movements grew by 3.4% over June 2017.

On the local front, the 39 airports handled by MAHB registered 8.4million passengers in June 2018, a growth of 9.7% year-on-year over June 2017. International and domestic sectors each recorded 4.2million passengers with a growth of 8.3% and 11.1% respectively. ASEAN international traffic registered 2.2million passengers with a growth of 9.4% while the non-ASEAN destinations grew by

7.2% with 2.1million passengers. Overall aircraft movements grew by 4.1%. International aircraft movements grew by 5.9% while domestic aircraft movements grew by 3.0% over June 2017. Average load factor increased by 1.2 percentage points to 75.9% in June 2018 over June 2017.

KLIA passenger movements recorded a growth of 9.7% over June 2017 with 5.0million passenger movements. A total of 1.7million passengers was recorded for the ASEAN destinations with a growth of 8.8% while 1.8million passengers were recorded for the non-ASEAN destinations, a growth of 5.2%. Domestic sector registered the first positive growth since November 2017 with 16.9% increase. KLIA Main Terminal and klia2 grew by 6.7% and 12.5% in June 2018 over June 2017. Overall aircraft movements at KLIA increased by 6.1% over the same month last year. International aircraft movements at KLIA registered an increase of 4.0% while domestic aircraft movements registered a growth of 11.0%. KLIA recorded 76.5% average load factor, an increase by 1.9 percentage points over June 2017.

Passenger movements at MASB Airports grew by 9.6% year-on-year over June 2017 with 3.4million passengers. International passenger movements increased by 16.0% with 0.7million passengers. ASEAN passenger movements increased by 12.0% while the non-ASEAN passenger movements increased by 22.7%. Domestic traffic grew by 8.1% with 2.7million passengers in June 2018. Aircraft movements in June 2018 grew by 2.5%. International aircraft movements registered a growth of 13.9% while the domestic sector grew by 0.6% over June 2017.

Istanbul SGIA passengers grew by 9.1% in June 2018 over the same period last year with 2.8million passengers. International passengers increased by 12.0% to 0.9million passengers while domestic increased by 7.7% to 1.9million passengers. Total aircraft movements increased by 6.3%, with international and domestic sectors recording 8.9% and 4.9% increase respectively.

1H18 Traffic

MAHB's network of airports (including Istanbul SGIA) recorded 64.9million passengers in 1H18 representing a growth of 5.2% over 1H17. International traffic improved by 8.3% with 30.8million passengers while domestic passengers increased by 2.5% with 34.2million passengers. Aircraft movements grew by 2.6% with 8.7% growth in international movements while the domestic sector declined by 1.1% over June 2017.

Airports in Malaysia handled by MAHB registered a 3.0% growth with 48.7million passenger movements. International sector registered 25.5million passengers with 7.5% growth while domestic sector declined by 1.6% with 23.2million passengers. Aircraft movements grew by 1.5% in 1H18.

International aircraft movements grew by 9.1% while domestic movements declined by 3.1% over 1H17.

KLIA passenger movements grew by 4.3% registering 29.7million passengers in 1H18. International traffic recorded 21.6million passengers representing a growth of 5.7% over 1H17. ASEAN sector grew by 6.2% with 10.2million passengers while non-ASEAN sector increased by 5.3% with 11.4million passengers. Domestic traffic registered 0.8% with 8.1million passengers. KLIA Main Terminal declined by 1.4% to 13.7million passengers. International traffic recorded 11.1million passengers representing a 4.6% growth. ASEAN sector grew by 5.0% to 4.4million while non-ASEAN sector grew by 4.3% to 6.7million. The domestic sector recorded 20.4% decline with 2.7million passengers. Passenger movements at klia2 grew by 9.9% to 16.0million passengers. International and domestic traffic increased by 7.0% and 15.8% respectively. ASEAN traffic increased by 7.2% with 5.9million passengers while non-ASEAN increased by 6.9% with 4.6million passengers.

Overall, Istanbul SGIA recorded 16.2million passenger movements, a 12.4% growth over 1H17. International traffic increased by 12.5% with 5.3million passengers while domestic traffic increased by 12.4% with 10.9million passengers.

Overview of traffic

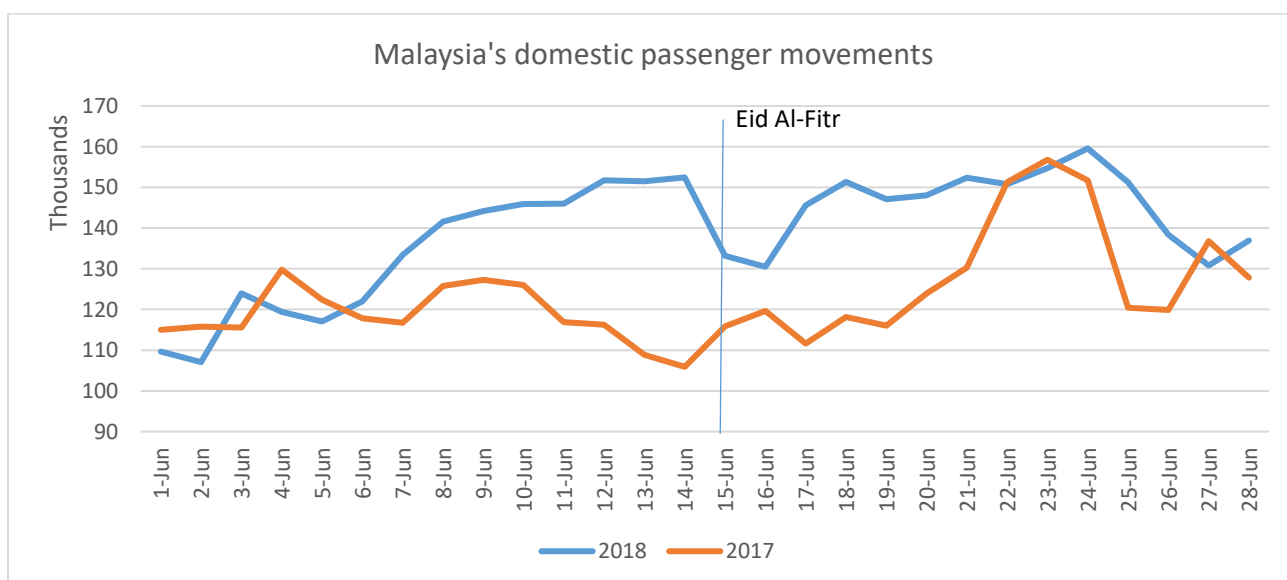
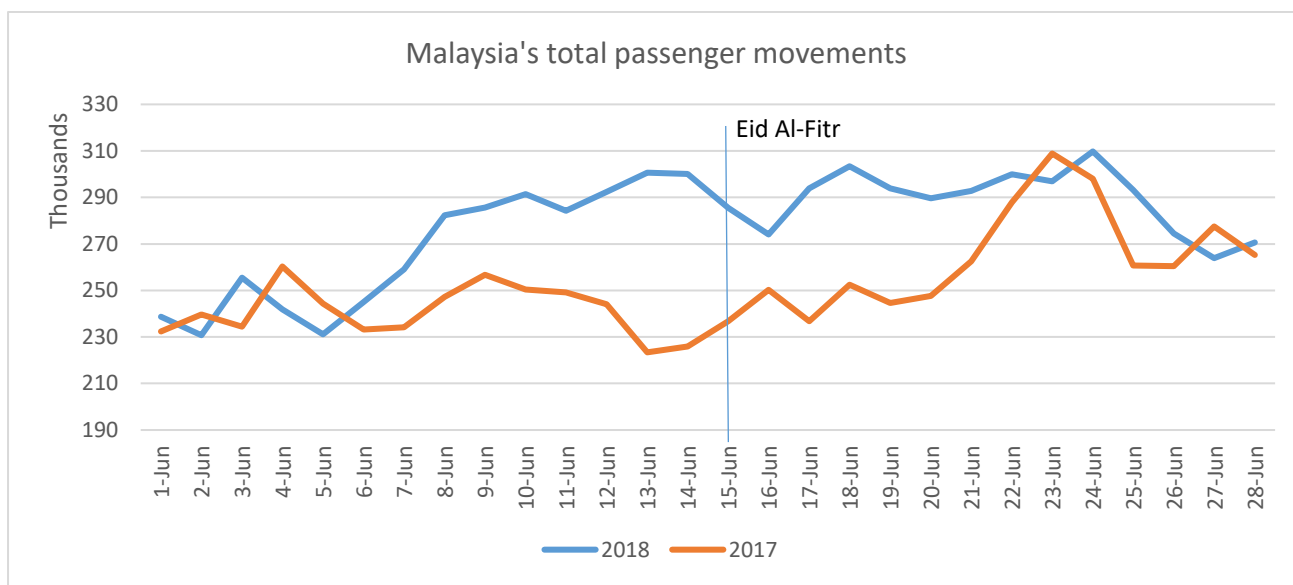
The overall growth in June 2018 passenger movements was spurred by the higher demand in air travel during the Eid Al-Fitr holidays which was also supported by growth in airlines seat capacity and an improvement in average load factors. As for Malaysia's passenger movements, the Eid Al-Fitr holiday season coincided with the 2 weeks mid-term school break.

Malaysia's domestic passenger movements registered the first positive with double-digit growth of 11.1% in June 2018 after recording a negative since November 2017. The average domestic load factor at 76.2% was also the highest for the year. International passenger movements continued to retain the 4million above threshold for June 2018. North East Asia, Middle East, South Asia, Africa and South East Asia sectors registered positive growth in passenger traffic for June 2018 while the other regions experienced a decline in traffic compared with June 2017.

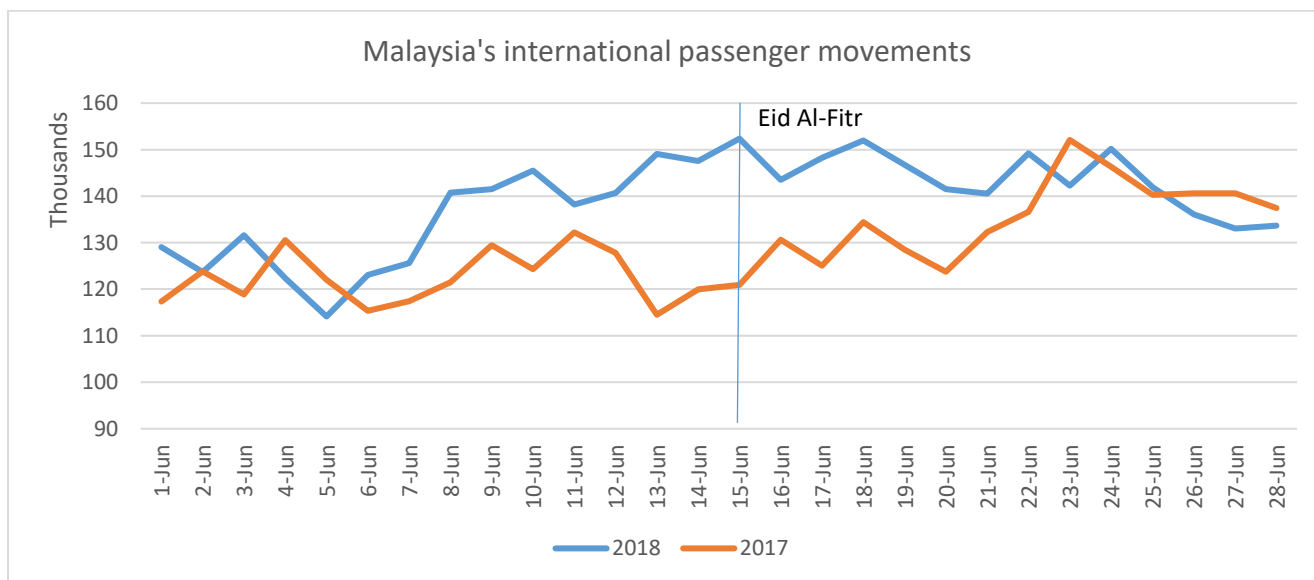
While the holidays and festive season were the main contributors to the traffic growth, the high growth rate at the tail end of the month was partly a resultant of the lower base during the 2017 fasting month. There was significant increase in passenger travel between Malaysia and Indonesia, China, Korea, Singapore, Vietnam, Cambodia, Japan, Oman and Maldives in June 2018 over June 2017, almost all of which experienced double digit growth. For the first half of 2018, the highest contributors to the traffic were China, Indonesia, India, Korea, Singapore, Vietnam, Cambodia, Taiwan and Philippines

sectors. In terms of nationality, Chinese and Indian nationals were the main contributors for international traffic followed by Indonesia, Singapore, South Korea, Taiwan and Philippines.

Largest domestic travel increase in June 2018 over June 2017 were for KLIA/Kota Kinabalu, KLIA/Kuching, KLIA/Alor Setar, KLIA/Kuala Terengganu, KLIA/Tawau and Kota Kinabalu/Tawau sectors.



Most of the individual airports in Malaysia registered positive growth in passenger movements for June 2018 over June 2017, with the exception of STOLs and 3 domestic airports. The number of Malaysians who travelled in the international sector in June 2018 was 12% more than June 2017.



Malaysia’s economic growth is expected to continue its growth momentum from 2017. MIER in April, forecasted GDP for 2018 to grow at 5.5% from 5.9% achieved last year and between 4.8% to 5.3% in 2019. World Bank has revised 2018 growth estimate for Malaysia upwards from 5.2% earlier to 5.4% in April 2018. IMF forecast for the global economy is 3.8% for 2018 and 3.9% for 2019. Asia Pacific region economy is expected to grow by 5.5% in 2018. IATA in June forecasted global passenger growth at 7.0% and Asia Pacific at 8.8% for 2018. Airlines seat filings for the next 6 months show some moderation for international traffic and upswing in domestic travel for Malaysia. The anticipated increase in air travel leading to and post elections has been below expectation. Combined with moderated seat filings, the growth for the next six months is expected to be moderate.

Istanbul SGIA passenger movements 1H18 grew by 12.4% over the same corresponding period last year. Emirates commenced 5-weekly flights from Dubai and Pegasus commenced daily flights to Dammam in June. This growth momentum in Istanbul is likely to hold based on current market condition.