ANNUAL REPORT 2009

MAp

MAp PERFORMANCE HIGHLIGHTS

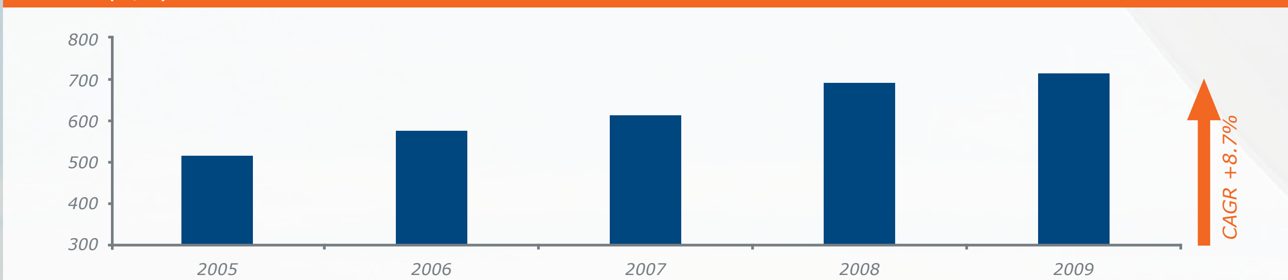
Traffic (m)[1]

[1] Proforma results are derived by restating prior period results with current period ownership interests and foreign exchange rates & exclude ASUR

Revenue (A$m)[1]

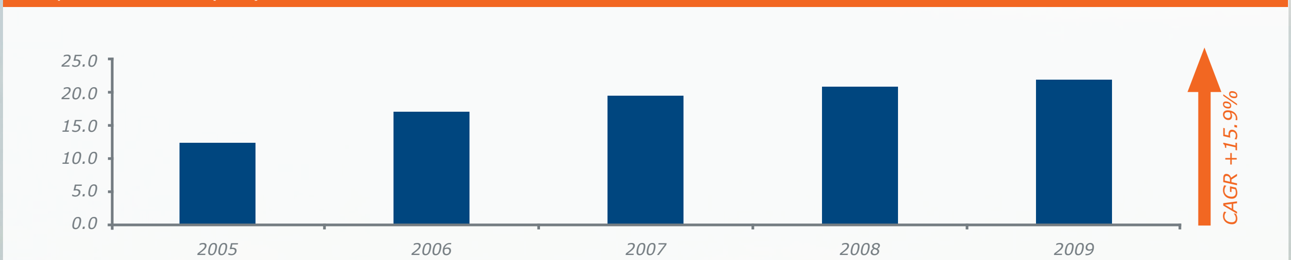
[1] Proforma results are derived by restating prior period results with current period ownership interests and foreign exchange rates & exclude ASUR

EBITDA (A$m)[1]



[1] Proforma results are derived by restating prior period results with current period ownership interests and foreign exchange rates & exclude ASUR

Proportionate EPS (A$c)



MAp has delivered earnings per security growth of 15.9% per annum between 2005 and 2009.

CONTENTS

MAp SNAPSHOT

MAp is one of the world's largest private airport owners and operators with a core portfolio of three major airports - Sydney, Copenhagen and Brussels - and a long term strategic investment in Grupo Aeroportuario del Sureste de Mexico S.A.B. de C.V. in Mexico.

2 April 2002
Date listed

36 000
No. of security holders

A$5.6 billion
Market capitalisation

Sydney
74.0% interest

66% of MAp's portfolio

33m passengers

Copenhagen
30.8% interest

15% of MAp's portfolio

19.7m passengers

Brussels
39.0% interest[1]

15% of MAp's portfolio

17m passengers

[1] MAp increased its ownership of Brussels Airport to 39.0% from 36.0% on 22 January 2010.

ASUR
16.0% interest

4% of MAp's portfolio

16m passengers

LETTER FROM THE CHAIRMAN AND THE CEO

2009 was a momentous year for MAp. We achieved a solid financial performance in the most challenging environment for the aviation industry since we listed in April 2002. We also successfully transitioned to become a stand alone company.

MAp delivered proportionate earnings per stapled security for 2009 of 21.6 cents. This represented an increase of 2.9% over 2008 and, were it not for the impact of the strengthening Australian dollar on the earnings of our European airports, that increase would have been greater.

The ability to deliver such stable earnings despite the challenging conditions is testament to the resilience of our airports. The strong market position of our airports has ensured they retained existing airlines and attracted new airlines and services. MAp's active management has continued to deliver financial outperformance versus traffic.

Operational Performance

The Global Financial Crisis created a difficult start for 2009, in particular in Europe. Our European airports experienced double digit rates of traffic decline as there were some specific factors which affected both Brussels (Brussels Airlines' merger with Lufthansa) and Copenhagen (the collapse of Sterling, the second largest airline at Copenhagen, in late 2008).

However, airport performance steadily improved through the year as existing airline customers reinstated capacity, new airlines commenced services, and we delivered on management actions undertaken in response to the external environment.

By December 2009, each of MAp's airports was delivering an increase in traffic on an underlying basis compared with the same period in 2008 and also growing EBITDA.

Sydney Airport delivered a solid performance in 2009, with full year EBITDA growth of 5.6% reflecting excellent cost control. The recovery in the final quarter was particularly encouraging with 7.3% growth in traffic and 11.8% growth in EBITDA.

During the course of 2009, Sydney Airport welcomed a record number of new international carriers as well as Tiger Airways on domestic routes, further increasing the choice on offer for passengers. Sydney now has three carriers using Airbus A380s, serving five destinations, and the choices for trans-Pacific travel have also increased with the arrival of V Australia and Delta Air Lines on the route.

In September 2009, the first phase of the Sydney Airport International Terminal redevelopment was opened, increasing terminal capacity with significantly improved passenger processing facilities. In the following months, a new airside dwell space opened with an expanded food and beverage and specialty retail offering. The development will be fully operational in the second quarter of 2010 and initial passenger feedback has been very positive.

Both Brussels and Copenhagen saw modest declines in EBITDA for the full year, however financial performance outperformed traffic and both delivered EBITDA growth in the final quarter of 2009.

Brussels Airlines' accession to the Star Alliance group of carriers is an important event for Brussels Airport. It increases the airport's attractiveness as a long haul destination for other Star Alliance carriers, something which has already borne fruit, with services announced by United Airlines and Air Canada. Brussels Airport, in conjunction with Brussels Airlines, hosted a meeting of Star Alliance board members in December 2009.

Copenhagen Airport has successfully replaced the flights lost as a consequence of the bankruptcy of Sterling. Indeed Norwegian, Cimber Sterling, transavia.com and easyJet have increased their combined market share from 8% to 19% and are now all among Copenhagen's 10 largest airlines. In addition, three new long haul services were announced by Delta Air Lines, Air Canada and Qatar meaning that Copenhagen will have its highest ever number of long haul routes in 2010. CPH SWIFT, a new pier designed specifically for low cost airlines, is scheduled to open towards the end of 2010 and should further increase the attractiveness of Copenhagen Airport for low cost carriers.

In September 2009, Copenhagen Airports announced that it had successfully concluded a new five and a half year charging agreement with its airline customers. This agreement will see aeronautical charges frozen until April 2011, followed by annual CPI+1% increases until 2015. As part of the agreement, Copenhagen Airport has agreed to a DKK2.6 billion investment program over the life of the charging agreement. The agreement provides certainty for both the airport and airlines.

Both Brussels and Copenhagen airports delivered significant retail initiatives in late 2008 and these contributed to a solid commercial performance in 2009. Retail revenue significantly outperformed traffic growth as a consequence of increased spend per passenger.

Capital Management

2009 was another active year of portfolio and capital management for MAp. Whilst credit markets have steadily improved through the year, conditions in early 2009 remained extremely difficult and MAp took proactive steps to ensure that we and our airports remain well-positioned, both for current market conditions and to support future growth.

At the beginning of the year, Sydney Airport's shareholders, of which MAp is the largest, decided to contribute A$870 million in additional capital to the airport to eliminate all debt maturities until September 2011 and significantly deleverage the business. In March, Copenhagen Airports successfully raised new working capital and capital expenditure facilities of DKK2.6 billion.

With the redemption of TICkETS (Tradeable Interest-bearing Convertible to Equity Trust Securities) on 31 December 2009, MAp has no corporate level debt and no maturities across the portfolio before September 2011.

Portfolio Activity

MAp's portfolio now consists of its interests in Sydney Airport, Copenhagen Airports and Brussels Airport, along with a strategic interest in Mexican operator ASUR. During the year we divested our interest in Bristol Airport in the UK. Bristol Airport was one of MAp's original investments and generated an excellent return. We also exited our strategic investment in Japan Airport Terminal.

At the same time, we have continued to increase our ownership in our remaining airports where opportunities have arisen at attractive prices. As part of the Sydney Airport deleveraging we increased our ownership to 74.0% from 72.1%, whilst we have also acquired small additional stakes in both Copenhagen (from 26.9% to 30.8%) and Brussels (from 36.0% to 39.0%), the latter completing in January 2010.

Our ability to take advantage of these opportunities is a consequence of MAp's strong balance sheet. At year end, MAp had a pro forma cash balance after taking into account the final distribution for 2009 and the additional interest in Brussels, of approximately A$775 million. This amount gives us significant flexibility in the management of our existing airports and the potential pursuit of growth opportunities.

LETTER FROM THE CHAIRMAN AND THE CEO CONTINUED

Internalisation of Management

On 24 July 2009, MAp's independent directors announced they had reached agreement with Macquarie to internalise the management of MAp. Security holders voted overwhelmingly in favour of the internalisation and the transaction was completed on 15 October 2009. Following the internalisation, cash reserves were replenished by an entitlement offer which was heavily oversubscribed.

MAp has now become a stand alone entity, directly employing the management team previously provided by Macquarie, with its unique knowledge and expertise. MAp will no longer incur base management and performance fees, which have been replaced by less volatile and significantly lower operating expenses.

We have established a new identity and logo to create a sense of evolutionary change, which builds on the strengths of our heritage, but also signifies that we are now a stand alone company. The MAp name and brand is well respected and recognised in Australia and internationally, both in investment markets and the aviation industry. Exclusively using the name MAp retains all the positive associations and intellectual property that come with the brand.

As a stand alone entity, MAp is better positioned to implement its future direction and strategy on its own terms and has fully aligned the accountability of employees who are now remunerated directly by MAp and solely focussed on MAp and its strategies.

The timing of the internalisation, coincident with the recovery in traffic, ensures MAp has the maximum operating leverage into the improving environment.

Asset Backing Attributable to Investments per Stapled Security

As at 31 December 2009, the Asset Backing Attributable to Investments per Stapled Security (ABSI) was A$4.00. This is based on directors' valuations. Independent valuations of MAp's airports are obtained regularly, with both Sydney and Brussels airports being independently valued in December 2009.

Distribution Policy and Guidance

In 2009, we achieved our aim of fully covering the regular distribution from proportionate earnings. Going forward, we are committed to a regular distribution which does not exceed operating cash flow.

Given our robust balance sheet and existing coverage levels MAp has the capacity to absorb temporary fluctuations in cash flow and hence it is intended that this alignment be achieved over a two to three year timeframe. The 2010 distribution guidance has been maintained at 21 cents per stapled security, subject to external shocks to the aviation industry or material changes to forecast assumptions.

Outlook

MAp continues to be one of the largest private owners and operators of airports in the world. We have a very high quality portfolio of gateway airports with strong growth potential and a world class management team.

We have come through an extremely difficult period, against the backdrop of a challenging aviation and economic environment in excellent shape.

We have demonstrated this year the benefit of our active management model and that airports have significant operational levers to offset traffic underperformance. As a result of our disciplined management, our airports are well placed to benefit as the economy recovers, backed by a very experienced team and a strong balance sheet.

We have a strong track record, and have delivered a return of 12.3% per annum since listing, well ahead of the ASX 200 industrials return of 6.9%.

Management is enthusiastic about the prospects for a stand alone MAp, and about continuing to build on the strong foundation for MAp and our airports that already exists. We are in a great position to capitalise on the significant changes and growth opportunities in the aviation industry.

We would like to thank you for your continuing support of MAp. We look forward to driving enhanced value for 2010 and to reporting on our progress in the coming year.

Max Moore-Wilton
Chairman

Kerrie Mather
Chief Executive Officer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A53
A53-A72
A51

الإمارات
Emirates

OPERATIONAL REVIEW

ANNUAL HIGHLIGHTS

09

MAY
- MAp accelerates the alignment of its regular distribution and sustainable earnings to 2009 from 2010

JUNE
- MAp increases its interest in Sydney Airport to 74.0% as part of a proactive exercise by Sydney Airport's shareholders to deleverage the airport via the repayment of A$870 million in term debt
- The Australian Government approves Sydney Airport's Master Plan for the period 2009-2029

JULY
- The MAp-led consortium exits its 19.9% interest in Japan Airport Terminal via an off-market tender buyback, realising gross sale proceeds of A$260 million

SEPTEMBER
- Copenhagen Airports reaches a five and a half year commercial agreement on aeronautical services and charges with its airline partners
- Opening of new passenger facilities with centralised immigration and security processing at Sydney Airport's International Terminal

08

FEBRUARY
- Sydney Airport announces the construction of larger runway safety areas to meet Civil Aviation Safety Authority requirements

MAY
- MAG is restructured from an airport fund to a holding company for MAp's and Ontario Teachers' Pension Plan's investment in Bristol Airport. MAp increases its interest in Bristol Airport to 35.5%

AUGUST
- MAp announces the acquisition of a 5.6% interest in Grupo Aeroportuario del Sureste de Mexico S.A. de C.V. (ASUR), the owner and operator of nine airports in south-eastern Mexico

07

FEBRUARY
- MAp acquires a further 1.2% of Sydney Airport, taking MAp's ownership interest to 57.0%

MARCH
- MAp acquires a further 15.1% of Sydney Airport, taking MAp's ownership interest to 72.1%. Sydney Airport completes T2 retail redevelopment

MAY
- MAG agrees to sell its 24.1% stake in Birmingham Airport for £210 million. Sydney Airport and Virgin Blue reach a commercial agreement regarding domestic runway charges

JUNE
- MAG agrees to sell its 44.7% interest in AdR for €1,237 million. Copenhagen Airports sells its 20% interest in Hainan Meilan Airport for HK$544 million and a 6.1% interest in Mexican Airport operator ASUR for MXP809 million. Brussels Airport successfully refinances €1.6 billion of debt facilities

06

JANUARY
- MAp acquires a further 0.6% of Copenhagen Airports, taking MAp's ownership interest to 53.4%

MAY
- Copenhagen Airports completes new car park. Brussels Airport completes first phase of new car park

05

JANUARY
- Brussels Airport successfully refinances its legacy debt

FEBRUARY
- MAp acquires 11.3% of Copenhagen Airports

MAY
- Bristol Airport successfully refinances £515 million of debt facilities

JULY
- Rome's Fiumicino Airport completes new multi-storey car park. Sydney Airport celebrates its 85^{th} anniversary

OCTOBER	NOVEMBER	DECEMBER
• MAp successfully completes the internalisation of management, eliminating volatile future base management and performance fees • Sydney Airport is voted one of the world's top ten airports by readers of UK Condé Nast Traveller magazine	• MAp announces that the 1-11 entitlement offer raising A$356 million is significantly oversubscribed, with total applications received of A$670 million	• MAp completes the disposal of its 35.5% interest in Bristol Airport and the acquisition of a 3.9% additional interest in Copenhagen Airports, bringing its beneficial interest to 30.8%, realising net proceeds of A$98 million • TICkETS are fully redeemed • Net asset backing per security is A$4.00

SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
• TICkETS withdrawal offer is successfully completed	• MAp announces changes to its corporate governance framework	• MAp sells 42% of its interest in Brussels Airport and 50% of its interest in Copenhagen Airports. Sydney Airport successfully refinances A$485 million of existing capex facilities and raises A$859 million of new capex funding. TICkETS defeasance successfully implemented	• Net asset backing per security is A$4.70

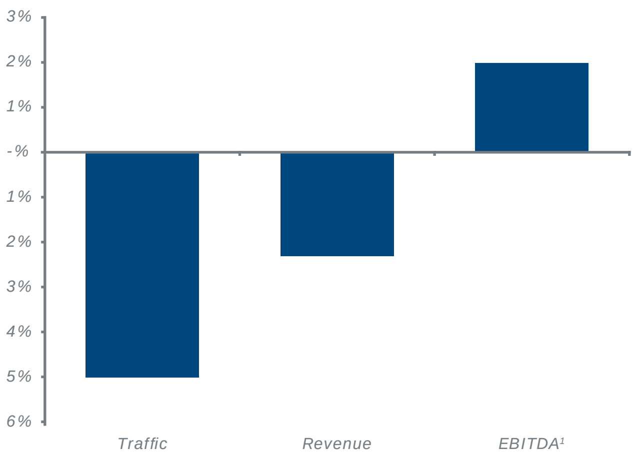
JULY	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
• A MAp-led consortium acquires a 9.6% interest in JAT	• Sydney Airport and the Board of Airline Representatives of Australia reach agreement on the terms and conditions for international aeronautical services	• Sydney Airport and Qantas conclude a five year commercial agreement regarding aeronautical charges. MAp increases its interest in Brussels Airport to 58.9%. The MAp-led consortium increases its interest in JAT to 19.9%	• MAp increases its interest in Brussels Airport to 62.1% and its interest in Copenhagen Airports to 53.7%	• Net asset backing per security is A$5.06

SEPTEMBER	NOVEMBER	DECEMBER
• MAp acquires a further 1.9% of Brussels Airport, taking MAp's ownership interest to 53.9%	• AdR sells AdR Handling	• Sydney Airport successfully refinances A$3.68 billion of debt facilities. Net asset backing per security is A$3.93

SEPTEMBER	OCTOBER	DECEMBER
• AdR sells its 20% interest in Airports Company of South Africa. MAp completes its acquisition of a further 8.4% of Macquarie Airports Group (MAG) (increasing its stakes in Sydney Airport, AdR, Birmingham Airport and Bristol Airport). AdR successfully refinances €490 million of loan facilities	• Bristol Airport celebrates its 75th anniversary	• MAp completes the acquisition of 52.8% of Copenhagen Airports. Net asset backing per security is A$3.26

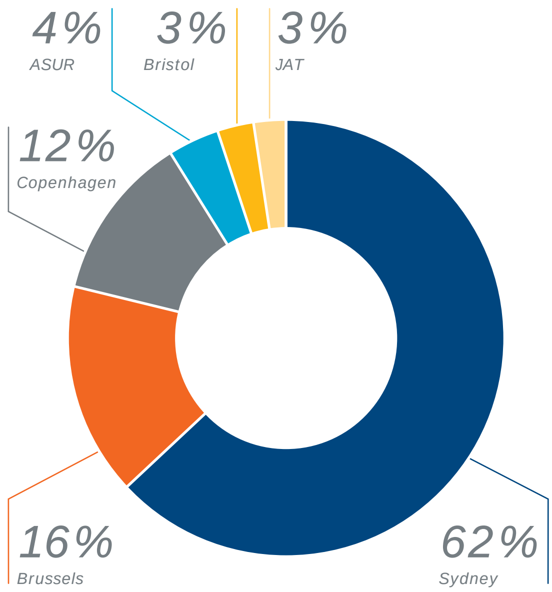
OPERATIONAL REVIEW AND FINANCIAL HIGHLIGHTS

2009 PROPORTIONATE PORTFOLIO PERFORMANCE



¹ Excluding specific items, post corporate expenses

2009 EBITDA BY AIRPORT ¹



¹ Excluding specific gains/(losses)

Financial Reports

Financial Information

MAp prepares two reports which cover the operational and financial performance of MAp and its investments. In addition to the statutory financial report which has been prepared in accordance with Accounting Standards and the *Corporations Act 2001*, as presented on pages 44 to 83, MAp provides a Management Information Report (MIR) to assist investors in understanding MAp's performance.

Aside from the information set out below, the operational review and financial highlights are primarily based on information from the MIR and not the statutory financial report. A copy of the full statutory financial report and MIR can be obtained from *www.mapairports.com.au* whilst the concise financial report forms a part of this report.

Statutory Financial Results

The net result attributable to MAp security holders for the year ended 31 December 2009 was a loss of A$572.7 million, after losses allocated to minority interest of A$42.4 million. This included expenses of A$351.1 million relating to the internalisation of management which comprised the termination payment of A$345.0 million and transaction costs of A$6.1 million. The variance in the result between 2008 and 2009 was primarily a consequence of the sale and revaluation gains in 2008 as a result of the partial divestments of Brussels and Copenhagen Airports and the subsequent deconsolidation of the results of these airports, in addition to downward revaluations of MAp's European airport interests in 2009. These items have no impact on operating performance, cash flows or distributions. Included in the 2009 net result were total revenues of A$1,212.6 million (of which A$102.5 million was revaluation income), operating expenses of A$1,965.8 million and an income tax benefit of A$138.1 million.

Portfolio Operational Performance

MAp's portfolio operational performance for the year to 31 December 2009 shows a proportionate revenue decline of 2.3% and proportionate EBITDA growth, after corporate expenses of 2.0% compared to 2008 on a proforma basis.[1, 2] Against the backdrop of perhaps the most difficult operating environment that the aviation sector has ever seen, and the consequent traffic decline of 5%, the modest growth in EBITDA demonstrates the resilience of MAp's airports and the benefits of its active management model.

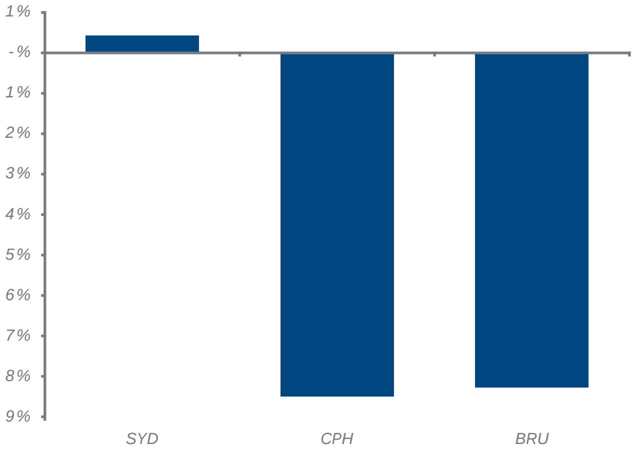
Portfolio operational performance reflects MAp's proportionate earnings, which is a proportionate consolidation of the results of MAp and its airports based on MAp's interest over the period. Proportionate earnings concisely show the earnings our airports generate to support the distributions MAp pays to security holders.

Portfolio performance is supported by MAp's team of airport managers and technical specialists who come from a range of backgrounds. These include airlines and airports and cover the full spectrum of operations, strategy, commercial business and finance. MAp works closely with airport management to deliver results.

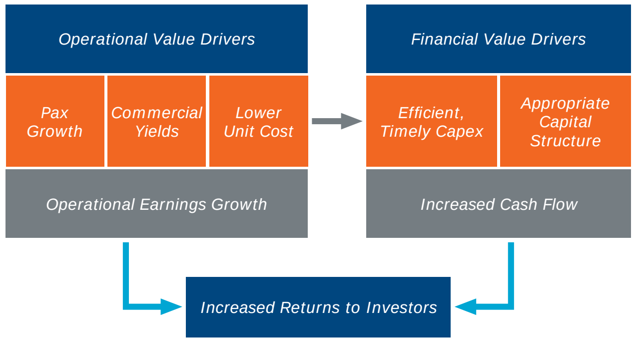
¹ Excluding specific gains/(losses).

² This proportionate portfolio consolidated information shows the growth between the 12 months ended 31 December 2008 and 31 December 2009 for those airports held by MAp based on MAp's interests in those airports calculated on a weighted average basis according to the number of days in the relevant period during which MAp held an interest. The proforma proportionate earnings are delivered by restating the prior period results with the airports' ownership percentages and foreign currency exchange rates from the current period.

2009 TRAFFIC GROWTH



MAp ACTIVE MANAGEMENT CHART



Traffic

Total traffic at MAp's core airports was approximately 70 million passengers during calendar year 2009, with a proportionate traffic decline across the portfolio of 5.0%.

The first half of 2009, in particular, was a testing operating environment for our airports. However, traffic performance improved steadily through the year with Sydney reporting strong growth in the final quarter and a significant moderation at both Copenhagen and Brussels.

MAp's portfolio of airports has attractive characteristics and these have been demonstrated by the strong recovery in traffic at Sydney, as well as the improved performance in Europe in the second half of 2009.

MAp's airline marketing specialists, working in tandem with airport personnel, delivered a number of key initiatives during the year: a record number of international airlines started operations out of Sydney and Tiger Airways commenced three domestic routes; Copenhagen became a base for both Norwegian and transavia.com which, combined with easyJet and Cimber Sterling's expansion, saw low cost airlines' market share increase significantly, and the airport signed a strategic partnership agreement with SAS to drive growth; and Brussels benefited from Lufthansa's acquisition of Brussels Airlines and its entry into the Star Alliance as well as new long haul routes from Star Alliance carriers United Airlines and Air Canada.

MAp's airports remain well positioned for recovery, evidenced by recent capacity announcements for 2010. They are major destinations with large population catchment areas, and are undertaking significant initiatives to retain and attract airlines and passengers. The completion of the redevelopment of Sydney's International Terminal, the building of a new low-cost pier in Copenhagen and the development of Brussels as a hub for Star Alliance will enhance the attractiveness of our airports to both airlines and passengers.

Retail and Catering

The core portfolio has approximately 400 retail and catering outlets, utilising 55,000m^2. All of MAp's airports offer travellers a wide range of retail options across major local and global brands. Retail and catering revenues represent around 20% of MAp's airports' combined total proportionate revenue.

OPERATIONAL REVIEW AND FINANCIAL HIGHLIGHTS CONTINUED

MAp continues to actively develop the range of retail and catering options available to the passengers using its airports. In 2009, a number of initiatives were undertaken:

- The redevelopment of the International Terminal at Sydney Airport remains on schedule for completion by mid-2010 and has already delivered enhanced passenger facilities. The new centralised processing hall for Customs and a security screening area opened in September 2009 and several new retail, food and beverage outlets have started trading. All 118 tenancies have been successfully let.
- Building on the recently expanded facilities at Copenhagen, a number of key initiatives are underway to drive improved retail performance. The focus is on improving customer flows, broadening the range of retail and catering outlets and optimising the product mix.
- Brussels has enjoyed a 10.4% increase in spend per passenger for the full year, primarily driven by the retail initiatives delivered in late 2008 and 2009, which have improved the quality of the specialist shops and food and beverage offering. Over 20 new retail outlets have opened over the last 12 months and have been welcomed by passengers.

It is clear that passengers increasingly view time spent at the airport as part of their travel experience and it is therefore vital that MAp and its airports continue to ensure airport users enjoy world-class facilities.

Car Parking

Air travellers require a wide range of ground transport options to facilitate their arrival and departure at the airport and MAp's airports seek to deliver a wide range of products to suit all needs.

A number of initiatives were underway in 2009 to improve car parking performance. In Sydney, an investment was made to improve arrangements for passenger pick-ups at the domestic terminal to help alleviate congestion in the area. Copenhagen has recently acquired the management contract for a number of car parks which it did not yet operate and is enhancing its signage and communication of car parking products as well as simplifying them to better meet customer needs and drive pre-bookings.

Property

MAp's airports all have large and valuable landbanks, with some 2.4 million m^2 of land across the core airport portfolio identified as surplus to aviation requirements and suitable for commercial development.

Phase 1 of BRUcargo-West, a 30,000m^2 logistics development at Brussels Airport, opened in late 2008, and was 100% let for all of 2009, contributing to solid property revenues.

The long-term nature of MAp's airport investments – with freehold interests over Copenhagen and Brussels and a long-term lease at Sydney – permits a measured view to the pace of property development. With the changing demand environment there is no imperative to rapidly develop sites substantially ahead of demand emerging. MAp will continue to assess projects on an individual basis and pursue a mix of site leases, joint ventures and self-development.

Amongst plans currently being developed are the Central Terrace Building, an office tower in the Sydney Airport international precinct, and the Gateway Office Building, the refurbishment of an existing office tower at Brussels Airport. A new Seamless Transfer Facility for Qantas passengers at Sydney Airport was recently handed over to the airline and should be completed in mid-2010.

Operating Expenses

The challenging external environment in 2009 made it even more important for MAp to maintain its traditional focus on operating efficiency. Proportionately consolidated airport operating expenses were lowered by 6.4% and the EBITDA margin, after corporate expenses, exceeded 60%.

A restructuring program at Sydney in late 2008 delivered benefits which held cost growth at the airport to just 0.7% in 2009. Copenhagen Airports implemented a redundancy program in March 2009 which reduced staff by 4.0% and aided the delivery of a 0.9% reduction in operating expenses for the year. At Brussels, the implementation of a Financial Performance Improvement Plan and an Organisational Review in the final quarter under MAp's leadership of the Executive Committee saw staff numbers fall by 4.0% and a full year cost decline of 0.7%.

EBITDA

Total EBITDA, after corporate expenses, increased by 2.0% to A$767.4 million. EBITDA significantly outperformed traffic for the full year, driven by MAp's active management and demonstrating the resilience of MAp's airport businesses. Indeed, MAp has consistently delivered EBITDA outperformance against traffic.

MAp took early and pre-emptive actions at each of its airports to retain existing airline capacity and attract new airlines and services.

Portfolio Management

MAp took pro-active steps to ensure that its airports as well as MAp remain well positioned in the current market and will enjoy maximum benefits from recovery. 2009 was an active year of capital management.

On 30 September 2009, security holders voted overwhelmingly in favour of the internalisation of MAp's management and the transaction was completed on 15 October 2009. Following payment of the termination fee, cash reserves were replenished by an entitlement offer which was heavily oversubscribed. MAp has become a stand alone entity and will no longer incur base management and performance fees, which have been replaced by less volatile and significantly lower operating expenses. The timing of internalisation increases MAp's operating leverage into the now firmly established aviation sector recovery.

The entitlement offer raised approximately A$357 million from the issue of approximately 155.1 million stapled securities at a price of A$2.30 per stapled security.

MAp achieved its aim of aligning distributions with sustainable proportionate earnings in 2009 and is now committed to deliver full cash flow coverage of the distribution, whilst acknowledging that a robust balance sheet, with approximately A$775 million of cash on hand, permits the flexibility to absorb temporary fluctuations in cash flow.

Sydney Airport's shareholders decided to contribute A$870 million in additional capital to the airport to eliminate all debt maturities until September 2011 and significantly deleverage the business. MAp's contribution was A$760 million and MAp's interest in Sydney Airport increased to 74.0% as result. In March 2009, Copenhagen Airports successfully raised new working capital and capital expenditure facilities of DKK2.6 billion.

With the redemption of Tradeable Interest Bearing Convertible to Equity Trust Securities (TICkETS) for cash on 31 December 2009 MAp has no corporate level debt and the deleveraging of Sydney Airport ensures there are no debt maturities across the portfolio until September 2011.

In July 2009, MAp exited its investment in Japan Airport Terminal and in December 2009 completed the divestment of its interest in Bristol Airport to Ontario Teachers' Pension Plan.

MAp continues to make incremental acquisitions of its existing airports, increasing its ownership of Copenhagen Airports to 30.8% from 26.9% and agreeing to increase its ownership of Brussels Airport to 39.0% from 36.0%, a transaction which was completed in January 2010.

Asset Backing Attributable to Investments per Stapled Security

As at 31 December 2009, the Asset Backing Attributable to Investments per Stapled Security (ABSI) was A$4.00. This is based on directors' valuations. Independent valuations of MAp's airports are obtained regularly, with both Sydney and Brussels airports being independently valued in December 2009.

OPERATIONAL REVIEW AND FINANCIAL HIGHLIGHTS CONTINUED

Proportionate Earnings for 12 months ended 31 December 2009

	Actual Results 12 months to 31 Dec 09[1] A$ '000	Proforma Results 12 months to 31 Dec 08 A$ '000	Change vs pcp %	Actual Results 12 months to 31 Dec 08[2] A$ '000
Passenger traffic ('000)	44,782	47,137	(5.0%)	57,577
Airport investments revenue	1,261,599	1,291,441	(2.3%)	1,613,127
Airport investments operating expenses	(456,157)	(487,176)	(6.4%)	(657,369)
Total airport investments EBITDA (pre specific gains / (losses))	805,442	804,265	0.1%	955,758
Corporate net expenses	(38,005)	(52,091)	(27.0%)	(52,091)
Total EBITDA (pre specific gains / (losses))	767,437	752,174	2.0%	903,667
Airports specific gains / (losses)	(10,825)	(3,820)	183.4%	(5,918)
Total EBITDA	756,612	748,354	1.1%	897,749
Airport investments economic depreciation	(35,258)			(51,324)
Airport investment net interest expense	(346,970)			(428,649)
Airport investment net tax expense	(34,391)			(80,378)
Hybrid capital interest expense	-			(49,431)
Corporate net interest income	34,438			82,982
Corporate net tax expense	(985)			(9,754)
Proportionate Earnings	373,446			361,195
Concession asset net debt amortisation[3]	(1,197)			(755)
Non-recurring termination fee[4]	-			(76,376)
Non-recurring internalisation payment[5]	(351,055)			-
Proportionate Earnings less allowance for net debt amortisation and non-recurring items	21,194			284,064

[1] The 31 March 2009 quarter results did not include MAp's proportionate share of ASUR earnings. Therefore the results for the 12 months to 31 December 2009 less the results for the 9 months to 31 December 2009 do not prima facie reconcile to the results for the 3 months to 31 March 2009 as reported on 29 April 2009.

[2] Prior period actual results have not been restated to include the investment in ASUR.

[3] Relates to Sydney Airport only.

[4] Proportionate share of €73 million termination fee that was paid in respect of restructure of Macquarie Airports Group (renamed Bristol Airports (Bermuda) Limited) as previously disclosed on 16 May 2008.

[5] Termination fee of A$345 million (excluding GST) that was paid to Macquarie Group Limited in respect of the internalisation of MAp management which reached financial close on 15 October 2009. Includes A$6 million in transaction costs.

Enterprise Value

	Actual as at 31 Dec 09 A$m	Actual as at 30 Jun 09 A$m	Actual as at 31 Dec 08 A$m
Airport investments net debt	5,524.5	5,774.1	6,563.2
Corporate net debt/(cash)[1]	(875.3)	(589.7)	(1,401.8)
Equity value attributable to MAp security holders	7,440.8	7,333.1	8,060.1
Enterprise Value	12,090.0	12,517.5	13,221.5
Total gearing of Enterprise Value (%)	38.5%	41.4%	39.0%

[1] 31 December 2008 has been adjusted to reflect MAp's investment in ASUR. Previously MAp's investment in ASUR of 16.0% (physical and economic interests) was classified as "other liquid financial instruments" and formed part of Corporate net (debt)/cash.

Portfolio Valuation

Asset	Discount Rate (%) As at 31 Dec 09	Discount Rate (%) As at 31 Dec 08	Valuation A$m 31 Dec 09	Valuation A$m 31 Dec 08	Valuation Change vs pcp (%)	Valuation % of portfolio 31 Dec 09	Ownership (%) As at 31 Dec 09	Ownership (%) As at 31 Dec 08
Sydney Airport	15.1	15.1	4,370.9	3,621.1	20.7	66.6	74.0	72.1
Copenhagen Airports	13.0	13.4	972.4	1,054.3	(7.8)	14.8	30.8	26.9
Brussels Airport	12.2	12.2	947.3	1,114.3	(15.0)	14.4	36.0	36.0
ASUR[1, 2]	N/A	N/A	274.9	252.0	9.1	4.2	16.0	16.0
Bristol Airport	N/A	14.3	-	336.8	N/A	N/A	-	35.5
Japan Airport Terminal	N/A	N/A	-	279.8	N/A	N/A	-	14.9
Portfolio valuation			6,565.5	6,658.3	(1.4)	100		
Working capital[2]			1,024.2	1,641.7	(37.6)			
Distribution			(148.9)	(239.9)	(37.9)			
Equity value attributable to MAp security holders			7,440.8	8,060.1	(7.7)			

[1] The ASUR valuation is based on the market price as at each reporting date.

[2] The pcp has been adjusted to reflect MAp's investment in ASUR. Previously MAp's investment in ASUR of 16.0% (physical and economic interests) was classified as "other liquid financial instruments" and formed part of Corporate net (debt)/cash (or Working capital in this instance).

SYDNEY AIRPORT

74.0%
MAp's interest

66%
% of MAp's portfolio

A$690.2m
EBITDA

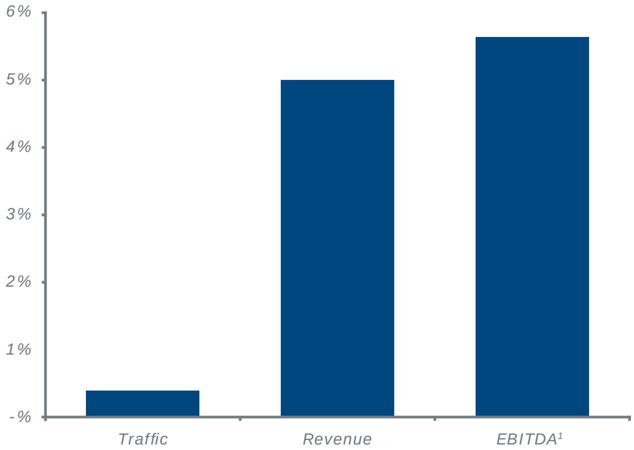
33m
Passenger numbers

184
Retail and catering outlets

13,527
Car parking spaces

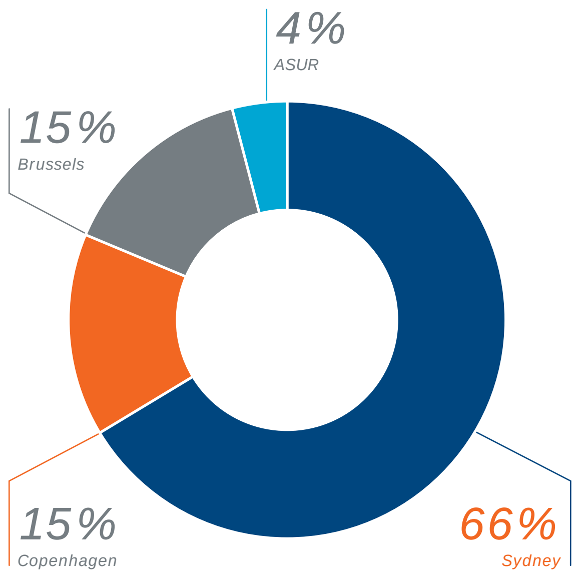
907ha
Land area

SYDNEY AIRPORT 2009 PERFORMANCE



¹ Excluding specific expenses

PORTFOLIO WEIGHTINGS¹



¹ Includes 3.0% Brussels Airport acquisition which completed on 22 January 2010

Facility Overview

Runways & Taxiways

Three runways:

- Main north-south runway (3,962m)
- Parallel north-south runway (2,438m)
- East-west runway (2,530m)

Terminals

Three terminals:

- T1 (International) – 25 contact gates
- T2 (Domestic) – 18 gates, former Ansett terminal acquired by Sydney Airport
- T3 (Domestic) – 16 gates, owned and operated by Qantas

Car Parks

- 13,527 spaces in four car parks

Other Buildings & Facilities

A range of other aviation and commercial property facilities, such as maintenance hangars and eight international airline lounges. There is 21,825m² of retail space with 135 retail and catering outlets in T1 and 49 in T2.

Sydney Airport is Australia's busiest airport, servicing 37 international airlines, 7 domestic and regional airlines and 10 dedicated freight carriers. It is the operations base for Qantas, Australia's largest domestic and international carrier.

Sydney Airport is located nine kilometres south of Sydney's CBD and has road and rail infrastructure links to Sydney's population and business centres. Connection times with the Sydney CBD and the population centre of western Sydney are excellent, with road access through the Eastern Distributor and the M5 East Motorway, and rail access through the airport rail link.

Sydney Airport is located on 907 hectares with twin north-south runways extending into Botany Bay on reclaimed land, and an east-west runway. The airport has a potential capacity of at least 78.9 million passengers per annum.

Sydney Airport delivered a 5.6% increase in EBITDA before specific expenses in 2009 to A$690.2 million on traffic of 33 million passengers. Despite the modest traffic declines in the first half of 2009, the recovery which started in the last quarter saw a 7.3% increase in traffic and 11.8% increase in EBITDA before specific expenses.

During the course of 2009, Sydney Airport attracted a record number of new international carriers as well as the entry of Tiger Airways on domestic routes.

Sydney Airport now has three airlines flying the A380 following the introduction of Emirates services on its Dubai-Sydney-Auckland route. This is the first A380 on the Sydney-Auckland route, the airport's most popular route. Qantas has also announced increased A380 services to the USA and UK and Singapore Airlines has services to Singapore and London. Sydney Airport now handles 60 A380 movements each week from five A380 capable gates, making it one of the busiest A380 airports in the world.

Major initiatives in 2009 included the provision of new infrastructure with the final phase of expansion and upgrade of the International Terminal and the construction of the runway safety area at the end of the east-west runway, as well as the commissioning of the water recycling plant for the International Terminal and providing improved pick-up arrangements at the Domestic Terminal.

In July 2009, the Australian Government approved Sydney Airport's Master Plan 2009 allowing Sydney Airport to proceed with plans to provide the infrastructure for the 78.9 million passengers forecast to use the airport in 2029.

Sydney Airport Financial Performance

Year to December	2007	2008	2009
Financial performance (A$m)			
Aeronautical revenue	*375.3*	*390.1*	***417.4***
Other revenue	*385.2*	*422.7*	***436.0***
Total revenue	*760.5*	*812.8*	***853.4***
Cost of sales		*(1.2)*	***(3.1)***
Operating costs[1]	*(151.9)*	*(158.3)*	***(160.1)***
EBITDA[1]	*608.6*	*653.3*	***690.2***
Key performance indicators (A$)			
Revenue/passenger	*23.86*	*24.72*	***25.86***
Operating costs/passenger[1]	*(4.77)*	*(4.81)*	***(4.85)***
EBITDA/passenger[1]	*19.10*	*19.87*	***20.92***
EBITDA margin[1]	*80.0%*	*80.4%*	***80.9%***

[1] *Excluding specific items*

COPENHAGEN AIRPORTS

30.8%
MAp's interest

15%
% of MAp's portfolio

DKK1,561m
EBITDA

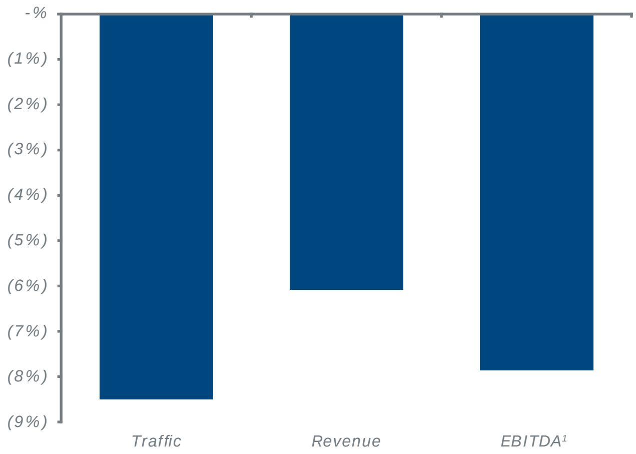
19.7m
Passenger numbers

106
Retail and catering outlets

11,944
Car parking spaces

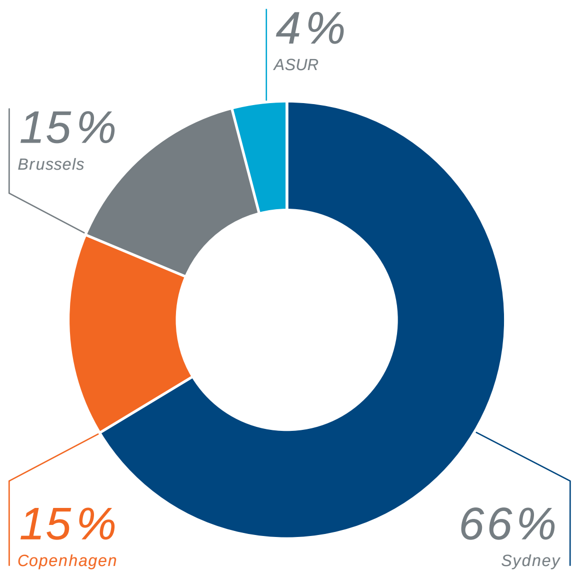
1,180ha
Land area

COPENHAGEN AIRPORTS 2009 PERFORMANCE



[1] Excluding specific expenses

PORTFOLIO WEIGHTINGS[1]



[1] Includes 3.0% Brussels Airport acquisition which completed on 22 January 2010

Facility Overview

Runways & Taxiways

Three runways:

- 04L/22R south west-north east (3,500m)
- 04R/22L south west-north east (3,300m)
- 12/30 north west-south east (2,800m)

Terminals

There are three passenger terminals, including a domestic terminal – comprising nine domestic stands, 43 international stands (with permanent passenger loading bridges), 54 remote stands and two helicopter stands as well as two dedicated freight terminals.

Car Parks

11,944 car parking spaces, most of which are in multi-storey car parks and comprise 9,119 private and 2,825 for staff.

Other Buildings & Facilities

There are eight duty free shops, 68 specialty shops and 25 food and beverage outlets and five currency exchanges with a total retail space of just under 14,000m². Airport services include a 382-room Hilton Hotel, which also offers restaurant and conference facilities.

Copenhagen Airport is located eight kilometres south-east of Copenhagen's city centre and has a capacity of 30-35 million passengers per annum. Copenhagen Airports also owns and operates Roskilde Airport and has international investments including a 49% interest in Newcastle International Airport in the UK and a 3.8% interest in ASUR, which owns and operates nine airports in Mexico.

Copenhagen Airports' EBITDA excluding specific items decreased 7.8% in 2009 to DKK1,561 million with passenger traffic decreasing 8.4% to 19.7 million.

Copenhagen Airport returned to traffic growth in the final quarter and overcame the impact of the collapse of Sterling Airways. Sterling's capacity at the airport was more than fully replaced by May 2009 with Norwegian, Cimber Sterling, transavia.com and easyJet expanding their combined market share from 8% to 19% during the year. A number of new intercontinental routes announced for 2010 means Copenhagen will have its largest ever number of long haul routes this year.

The Danish Civil Aviation Authority has approved a long term agreement covering the future level and structure of aeronautical charges. The agreement covers the period from 1 October 2009 to 31 March 2015. Prices will be held at current levels for 18 months, following the 4.2% interim increase in April 2009, and will then increase annually based on 1% above the Danish Consumer Price Index for the next four years. A number of revenue neutral structural changes have also been agreed, including increasing the proportion of charges related directly to passenger numbers rather than aircraft weight. As part of the agreement, the airport has committed to invest an average of at least DKK500 million per annum in infrastructure expansion and improvements between 1 January 2010 and 31 March 2015, or a total of DKK2,625 million. There is also provision for further investment proposed by airlines to be remunerated through changes in charges, following discussions between the partners.

Major initiatives for 2010 include the completion of the low-cost pier, CPH SWIFT, a terminal specifically aimed at low cost airlines, as well as the strengthening of the airport's hub operations through the delivery of the strategic partnership agreement with Copenhagen's largest network customer, SAS.

Copenhagen Airports Financial Performance

Year to December	*2007*	*2008*	***2009***
Financial performance (DKKm)			
Aeronautical revenue	*1,626*	*1,676*	***1,566***
Other revenue	*1,298*	*1,438*	***1,357***
Total revenue	*2,925*	*3,114*	***2,923***
Operating costs[1]	*(1,290)*	*(1,421)*	***(1,362)***
EBITDA[2]	*1,635*	*1,693*	***1,561***
Key performance indicators (DKK)			
Revenue/passenger	*136.60*	*144.61*	***148.25***
Operating costs/passenger[1]	*(60.25)*	*(66.00)*	***(69.09)***
EBITDA/passenger[2]	*76.35*	*78.61*	***79.16***
EBITDA margin[2]	*55.9%*	*54.4%*	***53.4%***

[1] *Costs are net of other income after specific expenses*

[2] *Excluding specific expenses*

BRUSSELS AIRPORT

39.0%[1]
MAp's interest

15%
% of MAp's portfolio

€203.1m
EBITDA

17m
Passenger numbers

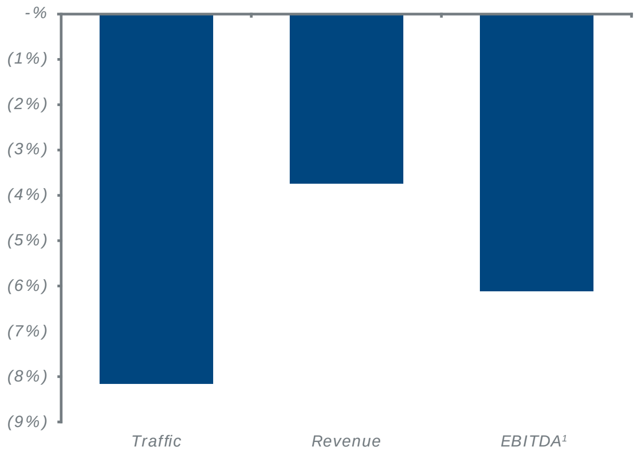
86
Retail and catering outlets

18,011
Car parking spaces

1,245ha
Land area

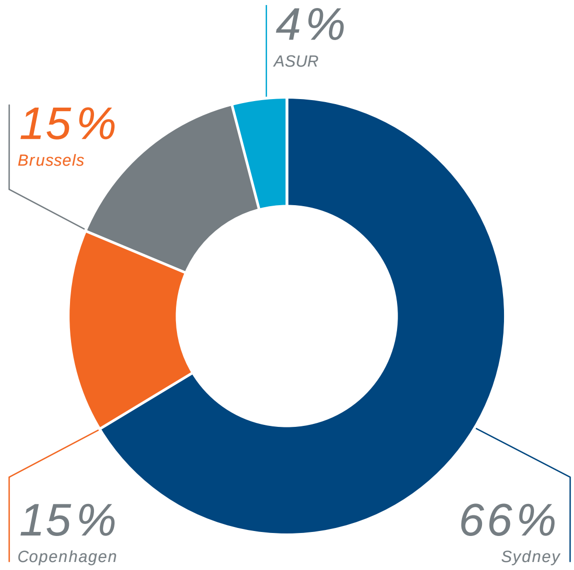
[1] MAp increased its ownership of Brussels Airport to 39.0% on 22 January 2010

BRUSSELS AIRPORT 2009 PERFORMANCE



[1] Excluding specific expenses

PORTFOLIO WEIGHTINGS[1]



[1] Includes 3.0% Brussels Airport acquisition which completed on 22 January 2010

Facility Overview

Runways & Taxiways

Three runways:

- Main runway (3,638m)
- Parallel east-west runway (3,211m)
- North-south runway (2,984m)

Terminals

Two piers:

- Pier A (Schengen & Brussels Airlines intercontinental services)
- Pier B (non-Schengen services)

A single arrivals/departures terminal houses a direct service train.

In total, 54 contact stands and 55 remote stands (via 18 bus gates). An additional 30 dedicated cargo stands and the old terminal building is only partially used.

Car Parks

A total of 18,011 spaces comprised of eight public car parks with a total of 12,174 spaces and an airport community car park with 5,837 spaces.

Other Buildings & Facilities

Approximately 17,000m² of retail space with 42 retail, 29 food and beverage and 15 service outlets. 32,000m² of office space inside and over 500,000m² of building and office concessions outside the terminal. Progressive implementation of the property strategy in line with the identified opportunity to provide 850,000m² of warehousing, office and logistics space over the next 20 years.

Brussels Airport is located approximately 12 kilometres north-east of Brussels' city centre and situated on approximately 1,245 hectares, about the same area as London's Heathrow Airport. Brussels Airport owns both the airport infrastructure and the airport land. A licence to operate the airport for an unlimited time has been granted by the Belgian Government via Royal Decree.

Brussels Airport has a single midfield terminal complex consisting of two major piers operated through a single arrivals/departures building which also houses a direct service train station. The terminal has a capacity of approximately 30 million passengers per annum.

Brussels Airport delivered a 5.8% decrease in EBITDA excluding specific items in 2009 to €203.1 million, on the back of an 8.2% decrease in passenger traffic to 17 million passengers. The year saw the impact of the reconfigured retail, food and beverage area in Pier A, which has been well received by passengers. The airport also continued to enhance its long haul and leisure offering with, in particular, new long haul services from Royal Jordanian and additional services from Etihad and easyJet, which was the airport's fastest growing carrier. The first phase of the BRUcargo-West logistics development was fully let.

2009 initiatives included ongoing development of an additional retail development in Pier B comprising specialist shops and food and beverage outlets, the completion of the new administration complex and the refurbishment of the old terminal building planned to be opened in April 2011.

Brussels Airport Financial Performance

Year to December	*2007*	*2008*	***2009***
Financial performance (€m)			
Aeronautical revenue	*245.8*	*247.6*	***236.5***
Other revenue	*121.3*	*131.5*	***129.2***
Total revenue[1]	*367.1*	*379.3*	***365.7***
Operating costs[1]	*(163.6)*	*(163.7)*	***(162.6)***
EBITDA[1]	*203.5*	*215.6*	***203.1***
Key performance indicators (€)			
Revenue/passenger	*20.54*	*20.48*	***21.51***
Operating costs/passenger[1]	*(9.15)*	*(8.84)*	***(9.56)***
EBITDA/passenger[1]	*11.38*	*11.64*	***11.95***
EBITDA margin[1]	*55.4%*	*56.8%*	***55.5%***

[1] *Excluding specific items*

ASUR

16.0%[1]
MAp's interest

4%
% of MAp's portfolio

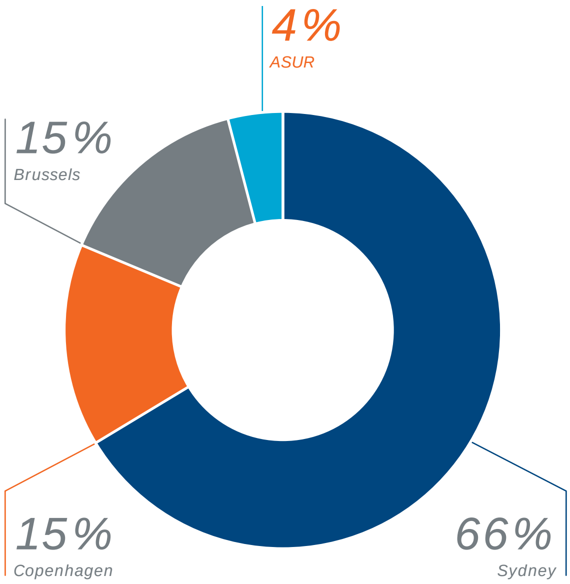
MXP1,967m
EBITDA

16m
Passenger numbers

88ha
Cancún Terminal 2 and Terminal 3 land area only

[1] Includes MAp's economic interest in ASUR of 7.9% held through a series of swap arrangements

PORTFOLIO WEIGHTINGS[1]



[1] Includes 3.0% Brussels Airport acquisition which completed on 22 January 2010

Grupo Aeroportuario del Sureste (ASUR) is the primary airport operator in the south-east of Mexico with a portfolio of nine airports serving around 16 million passengers per annum.

The largest airport in ASUR's portfolio is Cancún, which is the second largest airport in Mexico and the hub for one of the fastest-growing tourist destinations in Central America and the Caribbean. It serves approximately 12 million passengers per annum.

The other airports operated by ASUR are Mérida Airport, Cozumel Airport, Veracruz Airport, Villahermosa Airport, Oaxaca Airport, Huatulco Airport, Tapachula Airport and Minatitlán Airport.

The second runway at Cancún Airport is now operational, measuring 2,800 metres in length. The two runways are parallel and 1,420 metres apart, which makes it possible to carry out takeoffs and landings on both at the same time (known as mixed mode). This increases operational capacity to more than 80 takeoffs or landings per hour. The project also included the construction of a new control tower. Measuring almost 97 metres, it is the tallest in Latin America and one of the top 20 worldwide.

Cancún Airport was ranked by passengers as the airport providing the best service in Latin America and the Caribbean in 2009 as part of Airports Council International (ACI) annual ACI Airport Service Quality (ASQ) passenger survey.


COSMETICS


A
002
R10
SDT
WARNING

CORPORATE GOVERNANCE

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RESPONSIBILITY MANAGEMENT

MAp is committed to meeting its environmental, social and governance (ESG) obligations to create long-term value at its airports. MAp is a long term investor with a uniquely integrated management model bringing together both financial and operational expertise. This approach to airport ownership has seen increased choice, improved facilities and better levels of service for the approximately 70 million passengers who use the airports in MAp's portfolio each year, and increasing returns to MAp's investors.

MAp meets its ESG responsibilities as laid out in its risk management framework. MAp carries out a regular evaluation of the environmental risks presented at each of its airports.

ESG responsibility management forms an integral part of MAp's role as a leading airport owner. MAp's investment decisions follow the following framework:

- airport selection - environmental and social responsibilities are reviewed as part of the acquisition due diligence process
- ongoing airport management - regular board reporting from each airport enables compliance with environmental requirements to be monitored and environmental and social responsibility issues to be identified
- stakeholder reporting - policies, social and environmental initiatives and compliance performance are reported internally and, where appropriate, externally.

MAp's airports operate in a highly regulated environment, which covers all aspects of each airport's businesses and therefore strict consultative processes are in place at each airport to satisfy any ESG regulatory obligations. Airport projects undergo extensive social and environmental impact reviews throughout their life cycle.

MAp is not aware of any material breaches of relevant ESG-related regulatory standards by its airports during the year ended 31 December 2009.

Environmental and Social Governance Responsibility-Related Initiatives During 2009

Examples of notable environmental and social responsibility related initiatives undertaken during the past financial year at MAp's airports include:

Sydney Airport

Water Recycling Plant

The A$10 million water recycling plant is now operational. The water recycling plant takes sewage from the International Terminal and its surrounds, and treats it using mechanical, chemical and microbiological processes. The water is then recycled through a dedicated pipe network for use in toilet flushing and cooling towers for the air-conditioning system.

The use of recycled water means that each day the plant avoids the consumption of fresh drinking water and reduces the amount of waste that has to be disposed of. The plant is located at the southern end of the International Terminal precinct.

Actual water savings fluctuate according to demand and in 2009 the plant was saving an average of 350 kilolitres of fresh drinking water each day. In 2010, this is expected to increase to an average of 550 kilolitres per day and up to a maximum of 1 megalitre per day over the next 20 years.

Environmental Strategy 2010-2015

In 2009, Sydney Airport released a Preliminary Draft Environment Strategy 2010–2015 (PDES) as well as its Master Plan 2009, both of which were the focus of an extensive community and stakeholder consultation process. The PDES and Master Plan outline Sydney Airport's strategic approach to environmental management. Key objectives have been established and are accompanied by Environmental Action Plans to address specific areas of environmental management.

The Strategy updates and replaces Sydney Airport's existing Environment Strategy, which covered the period 2005-2010. Many projects and initiatives in the existing Strategy have already been implemented or are underway, including:

- completion of the water recycling plant at the International Terminal
- measures to boost recycling and reduce waste;
- increased use of fixed electrical ground power units to reduce fuel burn, air pollution and carbon emissions
- implementation of the NSW Government endorsed Energy and Water Savings Action Plans
- preparation of the Sydney Airport Ground Travel Plan
- substantial tree plantings
- the release of native fish into the Sydney Airport Wetlands and measures to better control pests.

The Master Plan 2009 provides Sydney Airport's vision for the operation and development of the airport to the year 2029 and the strategies required to meet sustainably Sydney's future air transport needs. A rigorous development assessment process has been established to ensure that the future development of Sydney Airport is undertaken in a manner that is sustainable.

The Master Plan was approved in June 2009 and the DES has been submitted to the Minister for Infrastructure, Transport, Regional Development and Local Government for review and approval. Both are available on Sydney Airport's website for more details:

http://www.sydneyairport.com.au/SACL/Environment--Environment-Strategy.html

http://www.sydneyairport.com.au/SACL/Master-Plan.html

Copenhagen Airports

Green Take-Offs

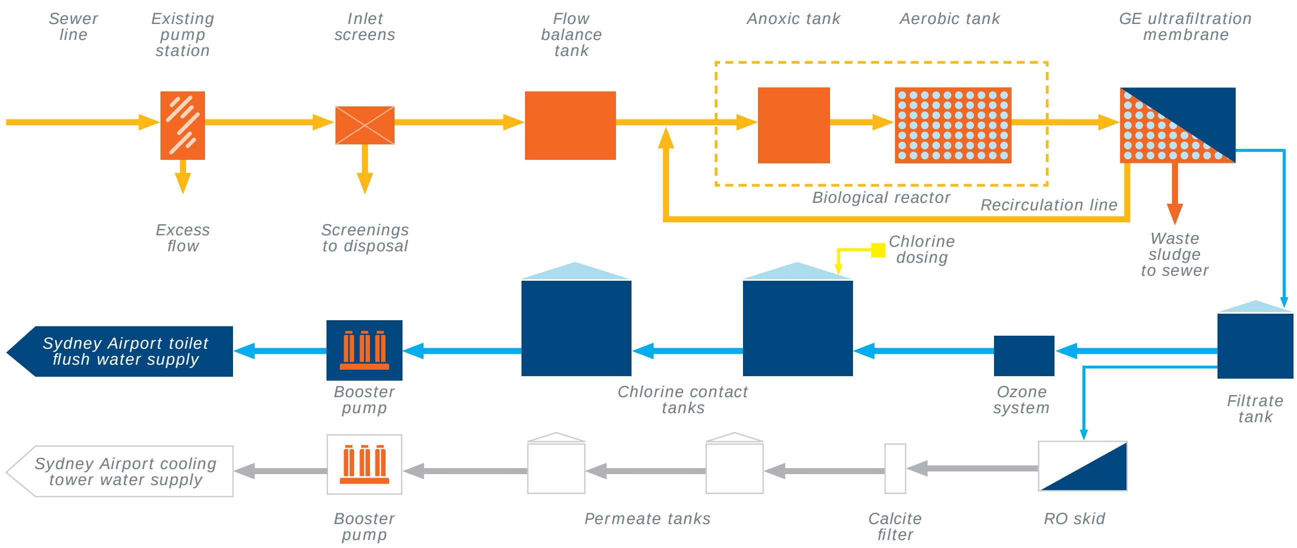
Every day, hundreds of flights are given permission to deviate from standard procedure and instead perform a so-called "green take-off" when they leave Copenhagen Airport. The aircraft climb continuously to their optimal operating level and turn onto the planned route earlier than normal. This saves both time and fuel while also reducing CO_2 emissions, compared with conventional take-off procedures involving a gradual climb and following standard routes.

Naviair, the organisation responsible for air traffic management services in Danish airspace, permits 95% of all aircraft taking off from Copenhagen Airport to climb continuously to a fuel-economical level – in industry-speak called a 'continued-climb departure' – and also gives the aircraft permission to turn onto the planned route at an earlier point than was previously the practice.

Eurocontrol has conducted a number of computer simulations which show that the Naviair concept of continuous climb during take-off saves an average of 200 kilos of fuel per departure. This corresponds to a reduction of approximately 620 kilos of CO_2 plus lower emissions of a number of other environmentally harmful compounds such as sulphur.

On an annual basis, employing this procedure means that aircraft taking off from Copenhagen Airport save some 10,000 tonnes of fuel while also cutting CO_2 emissions by almost 32,000 tonnes.

SYDNEY AIRPORT'S WATER TREATMENT PLANT



ENVIRONMENTAL, SOCIAL AND GOVERNANCE RESPONSIBILITY MANAGEMENT CONTINUED

LED and Light Control

New energy-saving LED light on the taxiways at Copenhagen Airport is helping the airport to meet its target of reducing power consumption by at least 10% by 2012. The LED technology is also becoming increasingly popular in other parts of the airport.

The lights on and around the runways and taxiways at Copenhagen Airport use 3000 Megawatt-hours every year. The thousands of lights are necessary to conduct more than 250,000 takeoffs and landings safely and efficiently and to meet international requirements for an airport which must be able to receive aircraft in any kind of weather and at all hours of the day.

The airport has begun replacing the strong halogen fittings in the manoeuvring area with modern energy-saving light emitting diodes, also known as LEDs. While LED technology is becoming increasingly popular as a light source in enterprises and private homes, manufacturers have now also begun developing special LED fittings for use in airports. However, so far they have mostly been used on a test basis.

The airport is also moving from incandescent lighting to LED in other areas. The airport is currently replacing 150 obstruction lights – the red lights warning air traffic about tall buildings and masts – with LEDs at the airports in Copenhagen and Roskilde. While the traditional light sources for obstruction lights are 80 Watt, the new LEDs are only 9.6 Watt. This results in an annual saving of 92,000 kilowatt hours, equal to 52 tonnes of CO_2. To this should be added the operational advantages of a useful life of between 50,000 and 100,000 hours, compared with a useful life of the present fittings of around 2,000 hours.

The terminal areas, which account for most of the energy consumption at Copenhagen Airport, are also increasingly shifting to LED lighting.

Groundwater Cooling

The Airport initiated specific planning of a major groundwater cooling system in 2009, which will reduce power consumption for cooling buildings in the terminal body by 80% over four years. Moreover, the new system will ensure that Copenhagen Airport meets the requirement of phasing out Freon cooling systems by 2015.

Copenhagen Airport's new low-cost terminal facility, CPH SWIFT will, together with Pier D and the baggage sorting system, be the first users of the new groundwater cooling system.

CPH SWIFT, has been designed as a low-energy building. The building's energy consumption will be half of the current statutory requirements for new buildings in Denmark.

For more details, please visit the environmental section of CPH's website where you can also find a copy of their latest environmental report:

http://www.cph.dk/CPH/UK/Environment/Environmental+policy/Reports.htm

Brussels Airport

In 2009 the ISO 14.001 certification of Brussels Airport was renewed for a three year period.

Noise

Brussels Airport is complying with Belgian Government reform announced in December 2009, which decreased the total number of night flights by one-third, with additional regulations relating to lower noise quota levels per aircraft and aeroplane departures during weekend nights.

Together with Belgocontrol (ATC) and some airlines, Brussels Airport has set up a project to assess the practical implementation possibilities of Continuous Descent Approaches. The effects on fuel consumption and CO_2 emissions as well as on noise are being examined.

Water and Soil

Construction and start-up of a water treatment plant which will treat all sanitary water within the airport terminal and from aircraft, as well as the de-icing effluent from the aprons, will be completed in 2010.

The soil decontamination project for all the airport premises is also proceeding well. All airport parcels have been investigated and the decontamination works are continuing.

Energy

In 2008, Brussels Airport undertook a global emissions inventory for the airport, serving as the basis for an action plan to reduce airport-related emissions. As a first result, a CDA-project was established.

In 2009, Brussels Airport was able to stay well under its CO_2-allocations under the national Kyoto plan.

In 2009, Brussels Airport switched to the purchase of 100% green electricity.

Visit the environmental section of Brussels Airport's website for more details:

http://www.brusselsairport.be/en/community/

CORPORATE GOVERNANCE STATEMENT

This statement outlines MAp's corporate governance framework and practices in the form of a report against the ASX Corporate Governance Principles and Recommendations (2nd Edition) (ASX Principles).

MAp's directors and management believe that high standards of corporate governance are an essential part of their objective of sound financial performance and maximising long term return to investors.

One of the objectives of the management internalisation and separation from Macquarie was to bring MAp's corporate governance framework in line with those of other ASX listed entities. In the five months since completion of the internalisation, we have reviewed and revised MAp's governance framework to achieve this goal.

This statement applies to MAp Airports Limited and MAp Airports International Limited and a reference to 'board' refers to the board of either of these entities unless otherwise stated.

Principle 1: Lay Solid Foundations for Management and Oversight

The board's roles and responsibilities are formalised in a board charter. The board charter is available on MAp's website.

Directors receive timely, regular and appropriate information to enable them to fulfil their duties. This information is provided as part of directors' board papers, and regular reporting on MAp and its airports.

Each year the board typically has eight scheduled meetings, two valuation discussions and a strategy day. Unscheduled meetings are convened throughout the year to consider time critical transactions or other issues requiring urgent consideration. In 2009, a committee of independent directors was formed to consider the internalisation and this met on multiple occasions. Details of directors' attendance at board and committee meetings are summarised in the table on page 37.

All non-executive directors have received a letter of appointment addressing the matters recommended by the ASX Principles.

The board reviews the performance of the CEO and this occurred during the year ended 31 December 2009. Further information is included in the Remuneration Report.

The performance of all executives is reviewed at least annually. This involves executives being evaluated by their immediate supervisors and against personal, financial and corporate goals.

All new directors and executives are required to participate in an induction and training program about MAp and their roles and responsibilities.

CORPORATE GOVERNANCE STATEMENT CONTINUED

Principle 2: Structure the Board to Add Value

It is MAp's policy that a majority of directors must be independent.

The MAp Airports Limited board is Australian based and it has a majority of independent directors. MAp Airports Limited also acts as adviser to MAp Airports International Limited. The MAp Airports International Limited board is Bermuda based and it has a majority of independent directors. Sharon Beesley was previously regarded as a non-executive director because her company provided services to the Macquarie Group. However, following the internalisation, Sharon Beesley qualifies as independent because, while a company of which she is a director provides company secretarial services to MAp Airports International Limited, this comprises less than 5% of her income.

The board regularly determines whether directors are independent in view of their interests as disclosed to the board. In making this determination, the board has reference to the test for independence contained in the ASX Principles, essentially whether a director has an interest that affects their ability to exercise unfettered and independent judgement. Directors with a range of qualifications, expertise and experience are appointed to the board to enable it to effectively discharge its duties and to add value to the board's deliberations. Directors' profiles setting out their skills, experience, expertise, period of office and other directorships of listed entities are available on the MAp website.

The chairman of MAp Airports Limited is Max Moore-Wilton. Max is not independent as defined by the ASX Principles given that in the last three years he has been either a consultant or senior employee of Macquarie, which is MAp's largest investor. The board charter requires that all future chairmen must be independent.

The chairman is responsible for leading the board, facilitating the proper briefing of directors, facilitating effective discussion of matters considered by the board and managing the board's relationship with management.

The MAp Airports Limited board appointed Trevor Gerber as lead independent director in December 2009.

The CEO is responsible to the board for implementation of strategies, policies and decisions determined by the board.

The MAp Airports Limited board has established a Nomination & Remuneration Committee, an Audit & Risk Committee and a Compliance Committee. The MAp Airports International Limited board has established an Audit & Risk Committee. Additional committees are formed as required. For example, as part of the internalisation, each board formed an Independent Board Committee.

Each committee has a board approved charter setting out its roles and responsibilities, composition, structure, membership requirements and operation. Committee meeting minutes are tabled at the following board meeting (except in the case of the minutes of the Independent Board Committee where it was inappropriate). The charters contain specific board reporting requirements.

There is an agreed procedure for directors on the board and committees to obtain independent professional advice at MAp's expense.

In 2009 the performance of individual directors and the board and the committees as a whole was reviewed in accordance with the procedures set out in the board charter.

Directors' Attendance at Board and Committee Meetings in 2009

	Board Scheduled		Board Short Notice		Audit & Risk Committee		Independent Board Committee	
	A[1]	B[2]	A[1]	B[2]	A[1]	B[2]	A[1]	B[2]
MAp Airports Limited								
Max Moore-Wilton[3] (Non-executive)	6	6	6	6	N/A	N/A	N/A	N/A
Trevor Gerber[4] (Independent)	6	6	5	7	3	3	6	6
Bob Morris (Independent)	5	6	7	7	3	3	6	6
Michael Lee (Independent)	6	6	7	7	3	3	6	6
John Roberts[5] (Non-executive)	1	1	1	1	N/A	N/A	N/A	N/A
MAp Airports International Limited								
Jeffrey Conyers[6] (Independent)	6	6	5	5	3	3	6	6
Sharon Beesley[7] (Independent)	4	6	2	4	2	3	N/A	N/A
Stephen Ward[8] (Independent)	6	6	6	6	3	3	6	6
Max Moore-Wilton (Non-executive)	4	6	5	5	N/A	N/A	N/A	N/A

[1] Actual attendance

[2] Maximum number of meetings that director could have attended

[3] Chairman, MAp Airports Limited

[4] Chairman Audit & Risk Committee and Independent Board Committee

[5] John Roberts was appointed on 15 October 2009

[6] Chairman, MAp Airports International Limited

[7] Sharon Beesley was a non-executive director until 16 October 2009

[8] Chairman Audit & Risk Committee and Independent Board Committee

CORPORATE GOVERNANCE STATEMENT
CONTINUED

Principle 3: Promote Ethical and Responsible Decision Making

MAp has a code of conduct which applies to all directors, employees and certain contractors and consultants. The code of conduct sets out MAp's values and practices that govern the way that MAp and its people carry out business and engage with stakeholders.

The code of conduct includes MAp's policy regarding whistle blowing, anti-corruption and dealing with governments. The code of conduct is underpinned by a range of additional policies reflecting MAp's values including: securities dealing and confidentiality policy; OHS policy; continuous disclosure and communications policy and privacy policy.

MAp's securities dealing policy applies to directors and employees and it restricts their ability to deal in MAp securities. Trading in MAp securities is not permitted during blackout periods. The blackout periods operate from 1 January until the day after full year financial results are released to ASX and from 1 July until the day after half year financial results are released to ASX. A blackout period also operates during the four weeks prior to the AGM until the day after the AGM. Additional blackout periods may also operate when MAp is considering market sensitive transactions. Directors and staff are required to obtain prior approval for any trade from the MAp Airports Limited company secretary.

The Securities Dealing Policy is available on MAp's website.

Principle 4: Safeguard Integrity in Financial Reporting

The Audit & Risk Committee is currently comprised of only independent directors and complies with the requirements of the ASX Principles. The chairman of the board cannot chair the Audit & Risk Committee. The members of the Audit & Risk Committee and their attendance at committee meetings is contained in the table on page 37.

The Audit & Risk Committee charter is available on MAp's website and it sets out the Committee's role, responsibilities, and composition. The Audit & Risk Committee is responsible for overseeing the structure and management systems that ensure the integrity of MAp's financial reporting. Specifically the committee:

- reviews and reports to the board on MAp's financial reports and on the external auditor's audit of the financial statements
- recommends to the board the appointment and removal of the external auditor, reviews the auditor's terms of engagement including arrangements for the rotation of the external audit partner, and the scope and quality of the audit
- monitors auditor independence including the level of non-audit services provided, and reports its findings to the board.

The Audit & Risk Committee meets with the external auditors without management or executive directors present at least once a year and more frequently if required.

The auditor attends MAp's annual general meetings and is available to answer security holder questions on the conduct of the audit, and the preparation and content of the auditor's report.

Principle 5: Make Timely and Balanced Disclosure

MAp has adopted a Continuous Disclosure and Communications Policy which is available on the MAp website. It is MAp's policy to provide timely, open and accurate information to its investors, regulators and other stakeholders. This ensures that all investors have equal and timely access to material information concerning MAp and facilitates trading on an informed basis.

The Continuous Disclosure and Communications Policy facilitates compliance with ASX Listing Rules because it includes procedures for identifying potentially price sensitive information, a process for escalation to the CEO and general counsel for determination as to disclosure required and a management sign-off process to ensure that ASX releases are accurate and complete. Releases disclosing MAp's results or major transactions require board approval.

The ASX liaison person is the MAp Airports Limited company secretary.

Principle 6: Respect the Rights of Shareholders

MAp's Continuous Disclosure and Communications Policy promotes a high standard of effective and accessible communication with investors which facilitates informed investor dialogue at investor briefing sessions and general meetings.

Communication with investors occurs via ASX announcements (including publication of analyst briefings), the annual report and half-yearly update, domestic and international roadshows and webcast investor briefings held on the same day that annual and half-yearly results are released. MAp also prepares a quarterly management information report. This is a readily accessible report on MAp and its airports' financial and operating performance on a proportionately consolidated basis.

All information disclosed to the ASX is promptly posted on the MAp website and investors can register on the website to receive email updates of MAp's releases. The website also contains a wealth of historic information.

Investors are encouraged to attend the AGM which is generally held in May each year. Investors who are unable to attend in person can lodge proxy forms by post, fax or the internet.

CORPORATE GOVERNANCE STATEMENT CONTINUED

Principle 7: Recognise and Manage Risk

The board has established a policy governing MAp's approach to risk and internal control systems to minimise different categories of risks. MAp's Risk Management Policy is available on its website.

As an investor in Australian and international airports, and as an employer of staff in Australia and the United Kingdom, MAp's risk management policy addresses a wide range of risks including: investment performance risk; financial risks (e.g. liquidity, interest rate, currency, and credit); legal risks (e.g. the enforceability of important contracts, covenants and litigation); compliance risk; operational risks (e.g. processes, information technology, outsourcing of services); environmental and social risks; OHS risks (for MAp's employees and visitors to MAp's premises); strategic risks and reputation risks.

The board requires management to design and implement the risk management and internal control systems, including undertaking a MAp wide risk assessment. Management reports to the board on whether those risks are being managed effectively. For example, the CEO's Report which is provided to the board at scheduled meetings identifies material incidents affecting both MAp and its airports as well as controls and risk mitigation plans.

The Audit & Risk Committee assists the board to monitor MAp's risk management framework as set out in the Audit & Risk Committee Charter.

During the year management has reported to the Audit & Risk Committee regarding the effectiveness of MAp's management of its material risks. In addition, the board has received assurance from the CEO and CFO that their declaration under s295A of the *Corporations Act 2001* is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Each airport maintains its own risk management framework and supporting infrastructure to manage its own risks. MAp's ability to influence risk management at its airport investments differs based on MAp's level of ownership and control of the particular airport investment. It is MAp's policy to confirm that each airport has an appropriate risk management framework in place to assist it in effectively managing its risks.

MAp Airports Limited has also appointed a compliance committee. The compliance committee monitors the MAT1 and MAT2 compliance plans, in particular whether policies and procedures have been followed to ensure that the trusts are operated in accordance with their constitutions, the law and ASX Listing Rules.

Principle 8: Remunerate Fairly and Responsibly

The Remuneration Report sets out MAp's policy and practices for remunerating directors and staff.

The remuneration of MAp staff is determined by the board in respect of the CEO and by the CEO in respect of other staff. Salaries are benchmarked against comparable market participants based on advice from remuneration consultants. An incentive policy has been developed to align staff performance with MAp's objectives.

The remuneration of non-executive directors is determined by security holders and is described in the Remuneration Report. Non-executive director remuneration is determined with reference to external benchmarking undertaken by consultants engaged by the board. None of the non-executive directors is entitled to options, securities, bonuses or retirement benefits as part of their remuneration package from MAp.

In December 2009, a Nomination & Remuneration Committee was constituted and a copy of its charter is on the MAp website. The role of the Nomination & Remuneration Committee is to assist and advise the board on director selection and appointment practices, director performance evaluation processes and criteria, board composition and succession planning for the board and senior executives.

The Nomination & Remuneration Committee comprises a majority of independent directors and is chaired by the chairman of the MAp Airports Limited board, Max Moore-Wilton. Max Moore-Wilton is a non-executive director but is not considered independent for the reasons set out under Principle 1. As the Nomination & Remuneration Committee is otherwise comprised of independent directors, and Max Moore-Wilton's association is with Macquarie rather than MAp, the board does not consider that Mr Moore-Wilton's non-executive status impairs his ability to act independently of management in performing his role as chairman of this committee.

The Nomination & Remuneration Committee is comprised of Max Moore-Wilton (chairman), Trevor Gerber, Bob Morris and Michael Lee. The committee did not meet in 2009.


AT839 CASABLANCA
Next : SN2055 BRISTOL
Next : LX781 ZURICH
B30 - B40
B30
B31


ALMERIA
MURCIA
BARCELON
ANTIAGO
ARCELONA
IENNA
IENNA
URICH

CONCISE FINANCIAL REPORT

Contents

INTRODUCTION TO THE CONCISE FINANCIAL REPORT

Overview of MAp

MAp invests in airports worldwide. MAp currently holds investments in Sydney Airport, Brussels Airport, Copenhagen Airports, and Grupo Aeroportuario del Sureste (ASUR). During the year MAp disposed of its interest in Japan Airport Terminal (JAT) and a portion of its interest in Bristol Airport and acquired additional interests in Sydney Airport and Copenhagen Airports.

MAp is a triple stapled security listed on the Australian Securities Exchange. Stapled securities are two or more securities that are quoted and traded as if they were a single security. A MAp stapled security consists of a unit in MAp Airports Trust 1 (MAT1, formerly Macquarie Airports Trust (1)), a unit in MAp Airports Trust 2 (MAT2, formerly Macquarie Airports Trust (2)) and a share in MAp Airports International Limited (MAIL, formerly Macquarie Airports Limited).

MAp's Airport Investments

MAp's total beneficial interest in each of the underlying airport assets in which it has invested at 31 December 2009 is provided in the table below.

MAp's Beneficial Interest in Airport Assets

	Sydney Airport %	Brussels Airport %	Copenhagen Airports %	Bristol Airport %	JAT %	ASUR %
MAp interest[1]						
As at 31 December 2009	***74.0***	***36.0***	***30.8***	***1.0***	***-***	***16.0***
As at 31 December 2008	*72.1*	*36.0*	*26.9*	*35.5*	*14.9*	*16.0*

[1] *Excluding minority interest.*

Fair Value of MAp's Airport Assets

	Sydney Airport[1] A$m	Brussels Airport[2] A$m	Copenhagen Airports[2] A$m	Bristol Airport A$m	JAT A$m	ASUR[3] A$m
As at 31 December 2009						
Direct interest	***4,370.9***	***947.3***	***972.3***	***6.4***	***-***	***274.9***
LESS: Minority interest	***-***	***-***	***-***	***-***	***-***	***-***
MAp beneficial interest	***4,370.9***	***947.3***	***972.3***	***6.4***	***-***	***274.9***
As at 31 December 2008						
Direct interest	*3,621.1*	*1,114.3*	*1,054.3*	*336.8*	*372.8*	*252.0*
LESS: Minority interest	*-*	*-*	*-*	*-*	*(93.0)*	*-*
MAp beneficial interest	*3,621.1*	*1,114.3*	*1,054.3*	*336.8*	*279.8*	*252.0*

[1] *As MAp holds a controlling interest in Sydney Airport of 74.0% at 31 December 2009, the financial position and results of this airport are consolidated into the MAp financial report. Accordingly the value of MAp's investment in Sydney Airport does not appear in the MAp financial report at 31 December 2009.*

[2] *MAp held a controlling interest in Copenhagen Airports of 53.7% and in Brussels Airport of 62.1% up to 5 November 2008, the date MAp partially divested its investments in these airports. MAp therefore consolidated the financial position and results of these airports into the MAp financial report from the beginning of the prior year up to that date. The value ascribed to MAp's investment in Copenhagen Airports is net of the external debt of Copenhagen Airports Denmark Holdings ApS.*

[3] *Including 7.9% through a series of swap agreements.*

DIRECTORS' REPORT

In respect of the year ended 31 December 2009, the directors of MAp Airports Limited (MAPL or the Responsible Entity, formerly Macquarie Airports Management Limited) submit the following report on the consolidated financial report of MAp Airports Trust 1 (MAT1, formerly Macquarie Airports Trust (1)). UIG 1013: *Consolidated Financial Reports* in relation to Pre-Date-of-Transition Stapling Arrangements requires one of the stapled entities of an existing stapled structure to be identified as the parent entity for the purpose of preparing consolidated financial reports. In accordance with this requirement, MAT1 has been identified as the parent of the consolidated group comprising MAT1 and its controlled entities, MAp Airports Trust 2 (MAT2, formerly Macquarie Airports Trust (2)) and its controlled entities and MAp Airports International Limited (MAIL, formerly Macquarie Airports Limited) and its controlled entities together acting as MAp (the Group, formerly Macquarie Airports).

Principal Activities

The principal activity of MAp is investment in airport assets. The investment policy of the Group is to invest funds in accordance with the provisions of the governing documents of the individual entities within the Group.

There were no significant changes in the nature of the Group's activities during the year.

Directors

The following persons were directors of the Responsible Entity during the whole of the year and up to the date of this report:

- Max Moore-Wilton (Chairman)
- Trevor Gerber
- Michael Lee
- Bob Morris

John Roberts was appointed as a director on 15 October 2009.

The following persons were directors of MAIL during the whole of the year and up to the date of this report:

- Jeffrey Conyers (Chairman)
- Sharon Beesley
- Stephen Ward
- Max Moore-Wilton

Distributions

The total distribution for MAp for the year ended 31 December 2009 was 21 cents per stapled security (2008:27 cents per stapled security). This distribution was paid by MAT1 (13 cents) and by MAIL (8 cents). An interim distribution of 13 cents per stapled security (2008:13 cents per stapled security) was paid by MAT1 on 19 August 2009. A final distribution of 8 cents (2008:14 cents per stapled security, paid by MAT1) was paid by MAIL on 18 February 2010.

Review and Results of Operations

The performance of the Group for the year, as represented by the combined result of their operations, was as follows:

	MAp Consolidated 2009 A$'000	MAp Consolidated 2008 A$'000
Revenue from continuing operations	***946,377***	*2,148,488*
Other income	***266,241***	*2,868,393*
Total revenue and other income from continuing operations	***1,212,618***	*5,016,881*
(Loss) / profit from continuing operations after income tax expense	***(615,077)***	*2,239,562*
(Loss) / profit attributable to MAp security holders	***(572,696)***	*2,070,451*
Basic earnings per stapled security	***(33.11c)***	*120.50c*
Diluted earnings per stapled security	***(33.11c)***	*99.37c*

Significant Changes in State of Affairs

MAp

Buyback of MAp Securities

On 27 November 2008, MAp commenced an on-market buyback of MAp stapled securities utilising existing cash reserves. On 23 February 2009, MAp announced the cessation of the buyback program. From 1 January 2009 to 23 February 2009, 7.5 million stapled securities were bought back for consideration of A$17.6 million. In total 12.5 million stapled securities were purchased during the buyback for a total consideration of A$27.4 million.

Recapitalisation of Sydney Airport

On 13 January 2009, Southern Cross Airports Corporation Holdings Limited (SCACH), the holding company for Sydney Airport, issued new stapled securities to existing shareholders to raise A$263.0 million in new capital of which MAp contributed A$199.3 million. A$144.4 million of the MAp contribution was paid on 27 November 2008 as an early equity contribution. The remaining A$54.9 million was paid on 13 January 2009 when the equity issue was completed.

On 27 March 2009, SCACH issued stapled securities to existing shareholders to raise an additional A$870.0 million in new capital of which MAp contributed A$710.6 million. The capital raising process was by way of completion of a subscription and on-sell option agreement. Under this Agreement, a shareholder external to MAp was granted an option to on-sell their proportionate share of newly issued SCACH stapled securities to MAp and one other shareholder. On 24 April 2009 part of the option was exercised and MAp contributed an additional A$51.4 million for the securities put to MAp. On 10 July 2009 the remaining option lapsed.

JAT Buyback

On 20 May 2009, MAp announced its intention to tender its entire 14.9% interest in Japan Airport Terminal (JAT) into JAT's buyback tender offer. JAT shareholders approved the buyback on 26 June 2009. The buyback was completed on 3 August 2009 and MAp disposed of its entire interest in JAT. Gross sale proceeds approximated A$260.0 million (including the benefit of hedging arrangements that were previously entered into).

Internalisation of Management

On 24 July 2009, MAp announced that it had reached agreement with Macquarie Group Limited (Macquarie) to internalise the management of MAp for a negotiated fee of A$345.0 million for the termination of management arrangements with Macquarie. The internalisation and fee was approved by a vote of security holders on 30 September 2009.

MAp implemented the internalisation on 15 October 2009 by MAT2 Holdings Pty Limited, a wholly owned subsidiary of MAT2, acquiring all the issued capital of MAp Airports Limited (MAPL, formerly Macquarie Airports Management Limited), the responsible entity for MAT1 and MAT2, and ending the Advisory Agreement between MAIL and a Macquarie subsidiary. MAp separately made employment offers to senior management.

Entitlement Offer

On 28 August 2009, MAp announced that to replenish cash reserves post the funding of the internalisation fee of A$345.0 million it would undertake a 1 for 11 non-renounceable pro-rata entitlement offer at A$2.30 per stapled security. As a result of the entitlement offer an additional 155.1 million stapled securities in MAp were issued and a total of A$356.7million in additional capital was raised.

Divestment of Bristol Airport

On 16 September 2009, MAp announced that it had agreed to divest its 35.5% interest in Bristol Airport to Ontario Teachers' Pension Plan (OTPP) for £128.0 million. The sale to OTPP was concluded on 21 December 2009 with an initial 34.5% of MAp's interest being transferred to OTPP and a put and a call option being put in place over the remaining 1% for an exercise price of £3.6 million. The put option may be exercised by MAIL at any time during the six month period from the completion of the refinancing of the Bristol airport debt facility; the call option may be exercised by OTPP at any time during the six months commencing from the end of the put option. Gross sales proceeds were £124.1 million (A$232.5 million).

DIRECTORS' REPORT CONTINUED

Significant Changes in State of Affairs (continued)

Additional Investment in Copenhagen Airports

MAp further announced on 16 September 2009 that it would acquire an additional 3.9% interest in Copenhagen Airports from OTPP for a consideration of DKK569.5 million (A$123.4 million). The additional investment was concluded on 21 December 2009, increasing MAp's total interest in Copenhagen Airports to 30.8%. The additional interest is held directly and not through the existing holding structure.

TICkETS Redemption

On 10 November 2009, MAREST notified holders of Tradeable Interest-bearing Convertible to Equity Trust Securities (TICkETS) that MAREST (formerly Macquarie Airports Reset Exchange Securities Trust) would redeem all 7.6 million outstanding TICkETS for cash on 31 December 2009, for A$105.26 each. Consequently MAT1 repaid both the OLA and FOLA loans to MAREST.

The total redemption of A$800.5 million on 31 December 2009 was funded by MAp.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Group that occurred during the year under review.

Events Occurring after Balance Sheet Date

A final distribution of 8.00 cents (2008:14.00 cents) per stapled security was paid by MAIL (2008:MAT1) on 18 February 2009.

On 17 December 2009 MAp received an exercise notice of a put option in respect of Global Infrastructure Fund II's (GIF II) 3% beneficial interest in Brussels Airport. This put option was triggered as a result of the internalisation of MAp's management. This acquisition reached financial close on 21 January 2010 for total consideration of €46.6 million (A$75.8 million). This acquisition increases MAp's beneficial interest in Brussels Airport from 36.0% to 39.0%.

Since the end of the year, the directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in the financial report that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in years subsequent to the year ended 31 December 2009.

Likely Developments and Expected Results of Operations

Further information on likely developments relating to the operations of the Group in future years and the expected results of those operations has not been included in this report because the directors of the Responsible Entity believe it would be likely to result in unreasonable prejudice to the Group.

Remuneration Report

Contents

1. Introduction
2. Nomination & Remuneration Committee
3. Remuneration Policy & Structure
4. CEO & Senior Executive Arrangements for the Year Ended 31 December 2009
5. Non-Executive Director (NED) Remuneration

1. Introduction

This Remuneration Report includes information on MAp's NEDs and senior executives.

Due to its corporate structure, MAp is not required to publish a remuneration report under the *Corporations Act 2001*. MAp voluntarily discloses unaudited details of senior executive remuneration from 16 October 2009, the date on which MAp ceased to be Macquarie managed and the senior executives became directly employed by MAp. Prior to this date, MAp's senior executives were employed and remunerated by Macquarie Group Limited (Macquarie) which, in return, received base management and, potentially, performance fees in return.

2. Nomination & Remuneration Committee

The senior executive remuneration pool for the period from 16 October 2009 to 31 December 2010 (and fixed annual remuneration for 2010) was determined by MAp's Independent Board Committees as part of the internalisation. Individual senior executive remuneration was board approved.

Going forward, the newly constituted Nomination & Remuneration Committee will assist and advise the board on the remuneration framework, policies and practices for MAp directors and staff. The framework is designed to attract, retain and motivate staff, be fair having regard to MAp and executives' individual performance and align with current governance and legal requirements.

Remuneration Report (continued)

3. Remuneration Framework

MAp's remuneration framework motivates directors and senior executives to pursue long term growth as well as enabling MAp to attract and retain high performers. The framework is designed to incentivise executives to achieve challenging key performance indicators (KPIs), align executive rewards with the creation of long term security holder value and attract and retain high calibre individuals.

When determining Senior Executive remuneration levels, the role, responsibilities, contribution, performance and experience of the individual is taken into account. Benchmarking data relevant to the individual's role and location as well as MAp's scale, complexity and geographic spread is also considered.

Remuneration is divided into those components which are not directly linked to contribution and performance (Fixed Annual Remuneration) and those components which are variable and directly linked to the delivery of personal KPIs and MAp's key business objectives including financial performance and security holder value creation (At Risk Remuneration).

3.1 Fixed Annual Remuneration (FAR)

FAR generally consists of base salary and benefits at a guaranteed level. NEDs, senior executives and certain other executives are provided with a FAR amount and have flexibility to determine the precise amount of cash and benefits they receive within that amount.

3.2 At Risk Remuneration (ARR)

In addition to FAR, a significant element of senior executives' maximum potential remuneration is required to be at risk. Currently, ARR is provided to senior executives and certain other executives through a Short Term Incentive Plan (STIP).

An individual's maximum potential remuneration may be achieved only in circumstances where they have achieved and surpassed challenging KPIs, including MAp's financial performance and security holder value creation.

No Short Term Incentive (STI) payments have been made to date. However, senior executives and certain other executives are eligible to receive STI payments subject to individual and corporate performance in February 2011 reflecting performance between 16 October 2009 and 31 December 2010. Maximum potential STI payments range up to 80% of FAR, adjusted to reflect the extended period to which they will relate.

In order to promote executive retention, one third of any individual's STI payment in excess of A$50,000 is deferred for three years. In the event of resignation or termination with cause prior to the payment of any deferred element of STI, this element is forfeited unless the Nomination & Remuneration Committee determines otherwise.

DIRECTORS' REPORT
CONTINUED

Remuneration Report (continued)

4. CEO & Senior Executive Arrangements for the Year Ended 31 December 2009

4.1 Service Contracts

Senior Executive	Contract Type & Any Special Terms	FAR A$'000	STIP[1] % of FAR	Termination
Kerrie Mather Chief Executive Officer	Permanent	1,700	80%	12 months MAp/ 6 months Employee
Keith Irving Chief Financial Officer	Permanent	400	60%	3 months/ 3 months
Sally Webb[2] Company Secretary	Permanent	200	40%	3 months/ 3 months

4.2 Total Remuneration & Benefits for the Year

The following table details total remuneration and benefits provided to senior executives for the year.

		Short Term Employee Benefits			Post Employment Benefits
Name	Year	Salary A$'000	STI[3] A$'000	Non-Monetary Benefits A$'000	Superannuation A$'000
Kerrie Mather[3]	**2009**	**363**	**Nil**	**Nil**	**3**
	2008	N/A	N/A	N/A	N/A
Keith Irving[4]	**2009**	**85**	**Nil**	**Nil**	**3**
	2008	N/A	N/A	N/A	N/A
Sally Webb[2,4]	**2009**	**43**	**Nil**	**Nil**	**1**
	2008	N/A	N/A	N/A	N/A

[1] Maximum annualised STIP expressed as a proportion of FAR.

[2] Ms Sally Webb also acts as General Counsel of MAp but the above disclosure is made solely due to her position as Company Secretary.

[3] As noted in section 3.2, no STI payments have yet been made. However, executives are eligible for STI payments relating to the period from 16 October 2009 onwards (and estimated payments have been accrued) but these are dependent on performance between 16 October 2009 and 31 December 2010 and will not be paid until February 2011.

[4] Direct employment by MAp commenced on 16 October 2009. Prior to that date, the executive was employed and remunerated by Macquarie and these amounts are not included.

Remuneration Report (continued)

4.3 Security Holdings

The table below details the MAp securities in which senior executives held relevant interests.

None of these securities are held as a direct result of equity-based compensation, relating either to the period of prior employment by Macquarie or current employment by MAp.

Name	Balance at 15 Oct 2009	Changes During Year	Balance at End of Year	Value at End of Year A$'000
Kerrie Mather	3,258,311	296,210	3,554,521	10,770
Keith Irving	352,812	38,204	391,016	1,185
Sally Webb	-	-	-	-

5. NED Remuneration

5.1 NED's Remuneration Policy

NED's fees are determined by the board. Director remuneration is determined with reference to external benchmarking undertaken by consultants engaged by the board.

The maximum directors' fee pool, as approved by security holders, for MAPL is currently A$700,000 and for MAIL US$140,000. No additional remuneration was paid in respect of membership of standing committees such as the Audit & Risk Committee. Current fee arrangements are detailed below.

Role	Annual Fee
MAPL Board	*A$'000*
Chairman	*125*
NED	*100*
MAIL Board	*US$'000*
Chairman	*35*
NED	*35*

At MAp's AGM on 21 May 2009, security holders approved the assumption of responsibility for payment of MAPL directors' fees with effect from June 2009. Prior to June 2009, MAPL directors' fees were paid by Macquarie.

DIRECTORS' REPORT CONTINUED

Remuneration Report (continued)

5.2 Remuneration for Additional Responsibilities

At the Special General Meeting held on 30 September 2009, security holders approved payment of additional fees totalling approximately A$375,000 in respect of MAPL and US$125,000 in respect of MAIL relating to the additional duties required to be performed by NEDs who were members of the Independent Board Committees responsible for negotiating the terms of the internalisation with Macquarie. These duties included undertaking activities generally performed by management, including spending time evaluating the proposals put to MAp by Macquarie, reviewing and negotiating the terms of internalisation, meeting with investors and attending MAp Independent Board Committee meetings in order to consider matters relevant to the internalisation.

5.3 Proposed Changes to NED Remuneration

As foreshadowed in the Notice of Meeting for the Special General Meeting held on 30 September 2009, security holder approval will be sought at MAp's 2010 AGM for an increase in the aggregate level of fees payable to directors to take into account the market remuneration for directors of companies with an internalised management structure of comparable size and scale to MAp.

5.4 NED's Appointment Letters

NEDs are appointed for an unspecified term and are subject to election by security holders at the first Annual General Meeting after their initial appointment by the board. In addition, each NED must stand for re-election by security holders at three yearly intervals.

The Nomination & Remuneration Committee develops and reviews the process for selection, appointment and re-election of NEDs as well as developing and implementing a process for evaluating the performance of the boards, board committees and directors individually.

Letters of appointment for the NEDs, which are contracts for service but not contracts of employment, have been put in place. These letters confirm that the NEDs have no right to compensation on the termination of their appointment for any reason, other than for unpaid fees and expenses for the period actually served. The NEDs do not participate in MAp's STIP.

Remuneration Report (continued)

5.5 NED's Remuneration for the Year

The fees and other benefits provided to the NEDs by MAp during the year and during the prior year are set out in the table below.

Any contributions to personal superannuation or pension funds on behalf of NEDs are deducted from their overall fee entitlements.

		Short Term Employee Benefits	Post Employment Benefits		
Name	Year	Directors' Fees A$'000	Superannuation A$'000	Other A$'000	Total A$'000
Max Moore-Wilton[5] Chairman MAPL	**2009**	**100[6]**	**9[6]**	**5[7]**	**114**
	2008	N/A	Nil	Nil	Nil
Trevor Gerber	**2009**	**44**	**4**	**296[8]**	**344**
	2008	N/A	Nil	Nil	Nil
Robert Morris	**2009**	**Nil**	**48**	**66[8]**	**114**
	2008	N/A	Nil	Nil	Nil
Michael Lee	**2009**	**44**	**4**	**66[8]**	**114**
	2008	N/A	Nil	Nil	Nil
John Roberts	**2009**	**Nil**	**Nil**	**21**	**21**
	2008	N/A	Nil	Nil	Nil
		US$'000	US$'000	US$'000	US$'000
Jeffrey Conyers Chairman MAIL	**2009**	**35**	**Nil**	**25[8]**	**60**
	2008	35	Nil	Nil	35
Sharon Beesley	**2009**	**35**	**Nil**	**Nil**	**35**
	2008	35	Nil	Nil	35
Stephen Ward	**2009**	**35**	**Nil**	**100[8]**	**135**
	2008	35	Nil	Nil	35

[5] MAp security holders approved the assumption of responsibility for MAPL directors' fees with effect from June 2009 at MAp's 2009 AGM on 21 May 2009. Prior to this MAPL directors' fees were paid by Macquarie and these amounts are not included.

[6] Includes A$59,375 as Chairman of MAPL and A$50,000 as NED of MAIL.

[7] Represents additional reimbursement to Mr Moore-Wilton in respect of his appointments to the boards of Sydney Airport and Copenhagen Airports.

[8] Fees received as a member of the Independent Board Committees responsible for negotiating the terms of the Internalisation with Macquarie Capital. These were separately approved by security holders at the Special General Meeting held on 30 September 2009.

5.6 Security Holdings

The table below details the MAp securities in which NEDs held relevant interests.

None of these securities are held as a direct result of equity-based compensation relating to the period of prior employment by Macquarie.

Name	Balance at Start of Year	Changes During Year	Balance at End of Year	Value at End of Year A$'000
Max Moore-Wilton	602,690	54,789	657,479	1,992,161
Trevor Gerber	170,000	15,454	185,454	561,926
Robert Morris	37,500	3,408	40,908	123,951
Michael Lee	6,078	552	6,630	20,089
John Roberts[9]	-	63,390	63,390	192,072
Jeffrey Conyers	-	-	-	-
Sharon Beesley	-	-	-	-
Stephen Ward	20,000	1,818	21,818	66,109

[9] Balance as at 16 October 2009 being the date of Mr Robert's appointment.

DIRECTORS' REPORT CONTINUED

Indemnification and Insurance of Officers and Auditors

Effective from 16 October 2009, all directors have executed a deed of access, insurance and indemnity under which MAPL indemnifies them against any liability incurred by them, including all legal costs in defending any proceeding (whether criminal, civil, administrative or judicial) or appearing before any court, tribunal, authority or other body because of their respective capacities. The indemnity does not apply to the extent:

- of any restriction imposed by law or the MAPL constitution;
- payment is made by MAPL as trustee of MAT1, MAT2, SCAAT, MAREST or TDT (each a "relevant trust") subject to any restriction imposed by law or the constitution of the relevant trust.

Additionally during the period, a directors and officers insurance policy applied to the directors and secretaries of MAIL and from 16 October 2009, a directors and officers insurance policy was taken out by MAPL.

The auditors of the Groups are in no way indemnified out of the assets of the Groups.

Fees Paid to the Responsible Entity, the Adviser and Associates

Fees paid to the Responsible Entity, the Adviser and their associates out of the Group's property during the year are disclosed in the full financial report (refer to Note 10).

No fees were paid out of Group property to the directors of the Adviser during the year.

Interests in the Group held by the Responsible Entity and its associates during the year are disclosed in the full financial report (refer to Note 10).

Interests in the Groups Issued During the Financial Year

The movement in securities on issue in the Groups during the year is as set out below:

MAp	Consolidated 2009 '000	Consolidated 2008 '000
Securities / units on issue at the beginning of the year	**1,713,636**	1,718,654
Securities / units issued during the year	**155,086**	-
Securities / units cancelled during the year	**(7,511)**	(5,018)
Securities / units on issue at the end of the year	**1,861,211**	1,713,636

Value of Assets

MAp	Consolidated 2009 A$'000	Consolidated 2008 A$'000
Book value of Group assets at 31 December	**14,894,913**	17,533,488

The book value of the Group's assets is derived using the basis set out in Note 1 to the financial report.

DIRECTORS' REPORT CONTINUED

Environmental Regulation

The operations of the underlying airport assets in which the Group invests are subject to environmental regulations particular to the countries in which they are located.

Sydney Airport

The primary piece of environmental legislation applicable to Sydney Airport is the *Airports Act 1996* (the Act 1996) and regulations made under it, including the Airports (Environment Protection) Regulations 1997. The main environmental requirements of the Act 1996 and the Regulations include:

- The development and implementation of an environment strategy;
- The monitoring and remediation of air, water and noise pollution from ground-based sources (except noise from aircraft in-flight, landing, taking off and taxiing and pollution from aircraft, which are excluded by the Act 1996 and Regulations); and
- The enforcement of the provisions of the Act 1996 and associated regulations, by statutory office holders of the Commonwealth Department of Transport and Regional Services. These office holders are known as Airport Environment Officers (AEO's).

As required under the Act 1996, an Environment Strategy was approved by the Minister for Transport and Regional Services on 18 January 2005. The strategy outlines the plans and actions of Sydney Airport to measure, monitor, enhance and report on environmental performance over the five year period from 2005 to 2010. Sydney Airport's aim, reflected in the strategy, is to continually improve environmental performance and minimise the impact of Sydney Airports operations on the environment. The strategy supports world-class initiatives in environmental management beyond regulatory requirements.

There have been no serious breaches by Sydney Airport in relation to the above regulations.

Auditor's Independence Declaration

A copy of the auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* is set out on page 57.

Rounding of Amounts in the Directors' Report and the Financial Report

The Group is of a kind referred to in Class Order 98/100 (as amended), issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

This report is made in accordance with a resolution of the directors of MAp Airports Limited.

Max Moore-Wilton
Sydney
24 February 2010

Trevor Gerber
Sydney
24 February 2010

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Auditor’s Independence Declaration

As lead auditor for the audit of MAp Airports Trust 1 and MAp Airports Trust 2 for the year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of MAp Airports Trust 1 and MAp Airports Trust 2 and the entities they controlled during the year.

Wayne Andrews

Wayne Andrews
Partner

Sydney
24 February 2010

STATEMENT OF COMPREHENSIVE INCOME

	Note	MAp 31 Dec 2009 A$'000	MAp 31 Dec 2008 A$'000
Revenue from continuing operations	2	**946,377**	2,148,488
Other income	2	**266,241**	2,868,393
Total revenue and other income from continuing operations		**1,212,618**	5,016,881
Finance costs	2	**(583,163)**	(794,573)
Administration expenses	2	**(82,943)**	(175,972)
Other operating expenses	2	**(948,626)**	(1,811,512)
Significant non-recurring items	2	**(351,055)**	-
Operating expenses from continuing operations		**(1,965,787)**	(2,782,057)
(Loss) / profit from continuing operations before income tax benefit		**(753,169)**	2,234,824
Income tax benefit		**138,092**	4,738
(Loss) / profit from continuing operations after income tax benefit		**(615,077)**	2,239,562
Other comprehensive income			
Exchange differences on translation of foreign operations		**(134,102)**	552,322
Cash Flow Hedges, net of tax		**159,910**	(356,853)
Other comprehensive income for the year, net of tax		**25,808**	195,469
Total comprehensive income for the year		**(589,269)**	2,435,031
Profit/(loss) Attributable to:			
MAp security holders		**(572,696)**	2,070,451
Minority interest		**(42,381)**	169,111
		(615,077)	2,239,562
Total comprehensive income Attributable to:			
MAp security holders		**(581,423)**	2,126,256
Minority interest		**(7,846)**	308,775
		(589,269)	2,435,031
Earnings per security for profit from continuing operations attributable to MAp security holders			
Basic earnings per stapled security / unit	7	**(33.11) c**	120.50c
Diluted earnings per stapled security / unit	7	**(33.11) c**	99.37c

* Earnings used in the calculation of earnings per stapled security includes unrealised income and expense from revaluation of some investments and other financial instruments. Consequently, earnings per stapled security reflects the impact of unrealised revaluation increments and decrements.

The above Income Statements should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

	Note	MAp 31 Dec 2009 A$'000	MAp 31 Dec 2008 A$'000
Current assets			
Cash and cash equivalents		**1,459,641**	2,313,985
Other financial assets		**-**	838,492
Receivables		**514,151**	570,793
Current tax receivable		**1,871**	-
Other assets		**15,466**	16,393
Derivative financial instruments		**751**	4,212
Total current assets		**1,991,880**	3,743,875
Non-current assets			
Receivables		**41,695**	29,070
Derivative financial instruments		**-**	3,309
Investments in financial assets	4	**2,065,328**	3,010,739
Property, plant and equipment	5	**2,582,734**	2,457,566
Investment property	5	**-**	-
Intangible assets	6	**8,166,607**	8,271,407
Other assets		**46,669**	17,522
Total non-current assets		**12,903,033**	13,789,613
Total assets		**14,894,913**	17,533,488
Current liabilities			
Distribution payable		**148,923**	239,935
Payables		**548,066**	668,964
Deferred income		**22,277**	25,038
Derivative financial instruments		**61,732**	16,467
Financial liabilities at fair value		**-**	96,770
Interest bearing liabilities		**-**	1,616,857
Provisions		**4,052**	3,983
Current tax liabilities		**1,241**	11,184
Total current liabilities		**786,291**	2,679,198
Non-current liabilities			
Derivative financial instruments		**11,359**	285,765
Interest bearing liabilities		**6,106,686**	5,988,637
Payables		**5,756**	-
Provisions		**2,753**	6,302
Deferred tax liabilities		**1,937,545**	2,021,174
Total non-current liabilities		**8,064,099**	8,301,878
Total liabilities		**8,850,390**	10,981,076
Net assets		**6,044,523**	6,552,412
Equity			
MAp security holders' interest			
Contributed equity		**3,948,660**	3,610,110
Retained profits		**1,804,389**	2,643,495
Reserves		**(269,459)**	(60,293)
Total security holders		**5,483,590**	6,193,312
Minority interest in controlled entities		**560,933**	359,100
Total equity		**6,044,523**	6,552,412

The above Balance Sheets should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note
Total equity at 1 January 2009	
Loss for the period	
Exchange differences on translation of foreign operations	
Cash flow hedges, net of tax	
Total comprehensive income	
Transactions with equity holders in their capacity as equity holders:	
Transaction costs paid in relation to contributions to equity (net of tax effect)	
Contributions of equity	
Securities cancelled pursuant to security buy-back (including transaction costs)	
(Increased)/decreased interest in subsidiaries obtained during the period	
Transfer to/(from) capital reserve	
Distributions provided for or paid	3
Contributions of equity by minority interest holders	
Total equity at 31 December 2009	
Total equity at 1 January 2008	
Profit for the period	
Exchange differences on translation of foreign operations	
Cash flow hedges, net of tax	
Total comprehensive income	
Transactions with equity holders in their capacity as equity holders:	
Transaction costs paid in relation to contributions to equity (net of tax effect)	
Contributions of equity (buyback)	
Increase/(decreased) interest in subsidiaries obtained during the period	
Minority interest derecognised on loss of control of subsidiary	
Transfer to/(from) capital reserve	
Distributions provided for or paid	
Contributions of equity by minority interests	
Total equity at 31 December 2008	

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Attributable to MAp security holders					
Contributed equity A$'000	Reserves A$'000	Retained earnings A$'000	Total A$'000	Minority interest A$'000	Total equity A$'000
3,610,110	**(60,293)**	**2,643,495**	**6,193,312**	**359,100**	**6,552,412**
-	**-**	**(572,696)**	**(572,696)**	**(42,381)**	**(615,077)**
-	**(126,368)**	**-**	**(126,368)**	**(7,734)**	**(134,102)**
-	**117,641**	**-**	**117,641**	**42,269**	**159,910**
-	**(8,727)**	**(572,696)**	**(581,423)**	**(7,846)**	**(589,269)**
(505)	**-**	**-**	**(505)**	**-**	**(505)**
356,697	**-**	**-**	**356,697**	**-**	**356,697**
(17,642)	**-**	**-**	**(17,642)**	**-**	**(17,642)**
-	**(96,156)**	**-**	**(96,156)**	**37,259**	**(58,897)**
-	**(104,283)**	**104,283**	**-**	**-**	**-**
-	**-**	**(370,693)**	**(370,693)**	**(27,150)**	**(397,843)**
-	**-**	**-**	**-**	**199,570**	**199,570**
3,948,660	**(269,459)**	**1,804,389**	**5,483,590**	**560,933**	**6,044,523**
3,619,852	473,682	572,138	4,665,672	2,384,530	7,050,202
-	-	2,070,451	2,070,451	169,111	2,239,562
-	344,531	-	344,531	207,791	552,322
-	(288,726)	-	(288,726)	(68,127)	(356,853)
-	55,805	2,070,451	2,126,256	308,775	2,435,031
(13)	-	-	(13)	-	(13)
(9,729)	-	-	(9,729)	-	(9,729)
-	2,413	-	2,413	(79,200)	(76,787)
-	(127,953)	-	(127,953)	(1,943,805)	(2,071,758)
-	(464,240)	464,240	-	-	-
-	-	(463,334)	(463,334)	(364,054)	(827,388)
-	-	-	-	52,854	52,854
3,610,110	(60,293)	2,643,495	6,193,312	359,100	6,552,412

CONSOLIDATED CASH FLOW STATEMENT

	Note	MAp 31 Dec 2009 A$'000	MAp 31 Dec 2008 A$'000
Cash flows from operating activities			
ASUR – dividend received		**14,050**	7,444
ASUR – payments received under TRS		**14,172**	-
Bristol Airport – interest received on loans		**-**	13,747
Brussels Airport – investment income received on convertible loans		**29,058**	-
Other distributions and dividend income received		**2,545**	2,934
Other interest received		**92,561**	169,364
Japan Airport Terminal – distribution and dividend income received		**1,558**	3,481
Fee income received		**418**	646
Airport revenue received (inclusive of goods and services tax)		**926,581**	2,074,439
Responsible Entity and Adviser base fees paid (inclusive of goods and services tax)		**(33,788)**	(57,270)
Adviser's performance fees paid*		**-**	(91,191)
Operating expenses paid (inclusive of goods and services tax)		**(17,426)**	(14,381)
Operating expenses paid by airport operating entities (inclusive of goods and services tax)		**(267,844)**	(878,986)
Income taxes paid		**(12,555)**	(76,898)
Net indirect taxes (paid)/received		**799**	(9,259)
Internalisation payment made		**(359,536)**	-
Other income received		**371**	6,877
Net cash flows from operating activities		**390,964**	1,150,947

* The performance fee paid by Bristol Airport (Bermuda) Limited (BABL) (formerly MAp Airports Group Limited) during the prior period was incurred during the financial year ended 31 December 2007 and was based on the performance of BABL over its seven years since inception.

	Note	MAp 31 Dec 2009 A$'000	MAp 31 Dec 2008 A$'000
Cash flows from investing activities			
Payments for purchase of investments		**(122,699)**	(203,945)
Investment transaction costs paid		**(1,876)**	(6,312)
Proceeds received upon sale of subsidiaries, net of cash disposed		**-**	1,367,467
Payments for short term investments		**-**	(838,492)
Payments for purchase of fixed assets		**(309,978)**	(549,910)
Proceeds from sale of investments net of transaction costs		**518,803**	-
Proceeds from sale of Non-current assets		**844,711**	-
Proceeds from disposal of fixed assets		**151**	606
Net cash flows from investing activities		**929,112**	(230,586)
Cash flows from financing activities			
Proceeds received from issue of units		**356,697**	-
Proceeds received from issue of securities to and borrowings from minority interests		**172,850**	68,149
Payments for security buyback (made)/received		**(17,644)**	(9,729)
Proceeds received from borrowings		**2,468**	1,098,376
Repayment of borrowings (made)/received		**(1,621,091)**	(806,520)
Borrowing costs paid		**(433,022)**	(710,258)
Distributions paid to MAp security holders		**(461,705)**	(532,791)
Distributions, dividends and returns of capital paid to minority interest		**(141,568)**	(364,054)
Net cash flows from financing activities		**(2,143,015)**	(1,256,827)
Net (decrease)/increase in cash and cash equivalents held		**(822,939)**	(336,466)
Cash and cash equivalents at the beginning of the year		**2,313,985**	2,566,601
Exchange rate movements on cash denominated in foreign currency		**(31,405)**	83,850
Cash and cash equivalents at the end of the year		**1,459,641**	2,313,985

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

DISCUSSION AND ANALYSIS

In addition to the discussion below, an outline of the major transactions and events is provided in the Significant Changes in State of Affairs in the Directors' Report.

Discussion and Analysis of Financial Performance

Operating Performance

The loss from continuing operations after income tax expense of A$615.1 million (2008:A$2,239.6 million profit) primarily reflects the impact of the following:

Airport operating revenue of A$837.2 million (2008:A$1,956.4 million) and airport operating costs of A$448.2 million (2008:A$1,278.1 million); the decrease in the current year is primarily attributable to the consolidation of Brussels Airport and Copenhagen Airports in the prior year up to 5 November 2008.

Income from the revaluation of MAp's investments of A$102.5 million (2008:A$1,317.2 million) which comprised:

- revaluation increment of MAp's interests in ASUR of A$50.6 million (2008:A$54.4 million decrement);
- revaluation increment of MAp's interest in other airports of A$52.0 million (2008:A$2.8 million);
- the prior year included revaluation increments of MAp's interest in Brussels Airport of A$561.2 million and MAp's interest in Copenhagen Airports of A$753.2 million. The value of these investments decreased this year by A$138.0 million and A$204.7 million respectively and the amounts are included in operating expenses.

Interest revenue of A$92.5 million (2008: A$146.4 million) and finance costs of A$583.2 million (2008:A$794.6 million).

Other income in the year of A$180.3 million (2008:A$1,596.9 million); the decrease in the current year is primarily due to the disposal, in the prior year, of 50% of MAp's interest in Copenhagen Airports S.a r.l. (formerly Macquarie Airports (Europe) No.2 S.A.), the holding entity for the Copenhagen Airports investment, and 42% of MAp's interest in Brussels Airport Investments S.a r.l. (BAISA, formerly Macquarie Airports (Brussels) S.A.), the holding entity for the investment in Brussels Airport.

Responsible Entity and Adviser base and performance fees of A$26.7 million (2008:A$44.6 million). No fees were incurred after the internalisation of MAp management on 15 October 2009.

Operating expenses from the revaluation of MAp's investments of A$500.4 million (2008: A$338.6 million) which comprised:

- revaluation decrement of MAp's interest in Japan Airport Terminal A$49.4 million (2008:A$189.3 million);
- revaluation decrement of MAp's interest in Brussels Airport A$138.0 million (2008:A$561.2 million increment);
- revaluation decrement of MAp's interest in Copenhagen Airports A$204.7 million (2008:A$753.2 million increment);
- revaluation decrement of MAp's interest in Bristol airport of A$104.3 (2008:A$3.0 million)
- revaluation decrement of MAp's interests in other airports of A$4.1 million (2008:A$91.9 million);
- the prior year included the revaluation decrement of MAp's investment in ASUR of A$54.4 million. The value of this investment increased in the current year by A$50.6 million and the increase is included in income.

Expenses related to the redemption of TICkETS of A$42.9 million. All outstanding TICkETS were redeemed on 31 December 2009 and MAp incurred additional expenses to fund the redemption premium;

Termination fee of the management arrangements with Macquarie of A$345.0 million and other costs relating to the internalisation of management of A$6.1 million.

Income Tax

Under the Income Tax Assessment Acts, MAT1 is not liable for income tax provided that the taxable income of MAT1 is fully distributed to stapled security holders each year. MAT2 is taxed in a similar way to a company for income tax purposes. MAT2 recognises income tax in its accounts using the liability method of tax effect accounting.

The income tax benefit of A$138.1 million primarily represents reductions in the deferred tax liabilities recognised on fair value uplifts in relation to the assets and liabilities of Sydney Airport.

Internalisation of Management

During the financial year MAp announced that it had reached agreement with Macquarie Group Limited (Macquarie) to internalise the management of MAp for a negotiated fee of A$345.0 million for the termination of management arrangements with Macquarie. The internalisation proposal was approved by a vote of security holders on 30 September 2009.

Discussion and Analysis of Financial Performance (continued)

MAp implemented the internalisation on 15 October 2009 by MAT2 Holdings Pty Limited, a wholly owned subsidiary of MAT2, acquiring all the issued capital of MAp Airports Limited (MAPL, formerly Macquarie Airports Management Limited), the responsible entity for MAT1 and MAT2, and ending the Advisory Agreement between MAIL and a Macquarie subsidiary. MAp separately made employment offers to senior management.

Divestment of Bristol Airport

During the financial year MAp announced that it had agreed to divest its 35.5% interest in Bristol Airport to Ontario Teachers' Pension Plan (OTPP) for £127.7 million. The sale to OTPP was concluded on 21 December 2009 with an initial 34.5% of MAp's interest being transfered to OTPP and a put and a call option being put in place over the remaining 1% for an exercise price of £3.6 million. The put option may be exercised by MAIL at any time during the six month period from the completion of the refinancing of the Bristol airport debt facility, the call option may be exercised by OTPP at any time during the six months commencing from the end of the put option. Gross sales proceeds were £124.1 million (A$232.5 million).

Minority Interests

Minority interest in the loss from ordinary activities of A$42.4 million represents the net results of Southern Cross Australian Airports Trust, Southern Cross Airports Corporations Holdings Limited and International Infrastructure Holdings Limited, BABL, BAISA (including its subsidiaries) and Copenhagen Airports ApS attributable to minority interests for the year ended 31 December 2009 (2008:A$169.1 million profit). In relation to BABL, BAISA and Copenhagen Airports ApS net results were only included in the prior period up to the date MAp lost control.

Discussion and Analysis of Financial Position

Total assets have decreased from A$17,533.5 million in the prior year to A$14,894.9 million at 31 December 2009. This decrease relates primarily the redemption of TICkETS being cash settled and capital injections into Sydney Airport which were used to reduce debt levels.

Total liabilities have decreased from A$10,981.1 million in the prior year to A$8,850.4 million at 31 December 2009. This decrease relates primarily the redemption of TICkETS and reductions in debt levels at Sydney Airport.

At 31 December 2009, total consolidated equity of MAp was A$6,044.5 million (2008:A$6,552.4 million), of which A$560.9 million represents minority interests in SCAAT, IIHL and Sydney Airports (2008: $359.1 million). Total securities cancelled pursuant to a buyback of stapled securities was 7.5 million (2008:5.0 million) at cost of A$17.6 million (2008: A$9.7 million) net of transaction costs. On 6 November 2009 pursuant to the entitlement offer MAp issued an additional 155.1 million stapled securities raising additional equity of A$356.2 million net of transaction costs.

Discussion and Analysis of Cash Flows

Cash flows from operating activities have decreased from A$1,150.9 million in the prior year to A$391.0 million for the year ended 31 December 2009. The decrease in the current year is primarily attributable to the reduction in airport revenues as a result of the deconsolidation of Brussels Airport and Copenhagen Airports on 5 November 2008. The decrease can further be attributed to internalisation payments of A$359.5 million in the current year.

Net cash inflows from investing activities of A$929.1 million (2008: outflow of A$230.6 million) primarily reflect cash proceeds from the MAp's divestments in Bristol Airport, A$221.4 million net of cash disposed plus the proceeds from the sale of investments of A$297.5 million and the sale of short term investments held by the TICkETS Defeasance Trust, which were previously not classified as cash but as other financial assets of A$844.7 million less outflows on additional investments of A$122.7 million and a further A$310.0 million on additional fixed assets purchases at the operating airport entities level.

During the year, MAp had net cash outflows from financing activities of A$2,143.0 million (2008: A$1,256.8 million). The outflows primarily reflect distributions paid to MAp security holders of A$461.7 million, repayment of borrowings of A$1,621.1 million, payments of borrowing cost of A$433.0 million, capital raising costs of A$17.6 million and distributions of A$141.6 million that were paid to minority interests. These outflows are partially offset by proceeds from issue of units A$356.7 million, issue of securities to minority interests A$172.9 million.

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The significant policies which have been adopted in the preparation of the financial statements are stated to assist in a general understanding of this general purpose financial report. These policies have been consistently applied to all periods presented, unless otherwise stated.

a) Basis of Preparation

This concise financial report has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 1039: *Concise Financial Reports*. The concise financial report has been derived from the MAp full financial report for the year. Other information included in the concise financial report is consistent with MAp's full financial report. The concise financial report does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of MAp as the full financial report. Further financial information can be obtained from the full financial report which is available, free of charge, on request. A copy may be requested by calling Computershare Investor Services Pty Limited on 1800 102 368.

The financial report was authorised for issue by the directors of the Responsible Entity on 24 February 2009. The Responsible Entity has the power to amend and reissue the financial report.

Compliance with IFRSs

Compliance with Australian Accounting Standards ensures that the Consolidated financial statements and notes of MAp comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Consequently, this financial report has also been prepared in accordance with and complies with IFRS as issued by the IASB.

Presentation of Currency

The presentation currency used in this concise financial report is Australian dollar.

Historical Cost Convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

Stapled Security

The units of MAp Airports Trust 1 (MAT1, formerly Macquarie Airports Trust (1)) and MAp Airports Trust 2 (MAT2, formerly Macquarie Airports Trust (2)) and the shares of MAp Airports International Limited (MAIL or the Company, formerly Macquarie Airports Limited) are combined and issued as stapled securities in MAp (the Group). The units of MAT1 and MAT2 and the shares of MAIL cannot be traded separately and can only be traded as stapled securities.

This financial report consists of the consolidated financial statements of MAT1, which comprises MAT1 and its controlled entities, MAT2 and its controlled entities and MAIL and its controlled entities, together acting as MAp.

b) Consolidated Accounts

UIG 1013: *Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements* requires one of the stapled entities of an existing stapled structure to be identified as the parent entity for the purpose of preparing consolidated financial reports. In accordance with this requirement MAT1 has been identified as the parent of the consolidated group comprising MAT1 and its controlled entities, MAT2 and its controlled entities and MAIL and its controlled entities.

c) Principles of Consolidation

The consolidated financial statements of MAp incorporate the assets and liabilities of the entities controlled by MAT1 at 31 December 2009, including those deemed to be controlled by MAT1 by identifying it as the parent of MAp, and the results of those controlled entities for the year then ended. The effects of all transactions between entities in the consolidated entity are eliminated in full. Minority interests in the results and equity are shown separately in the Income Statement and the Balance Sheet respectively. Minority interests are those interests in partly owned subsidiaries which are not held directly or indirectly by MAT1, MAT2 or MAIL.

Where control of an entity is obtained during a financial period, its results are included in the Income Statement from the date on which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed.

1. Summary of Significant Accounting Policies (continued)

d) Investments in Airport Assets

MAp has designated its non-controlled investments in airport assets as financial assets at fair value through profit or loss. Investments in financial assets are revalued at each reporting date, or when there is a change in the nature of the investment, to their fair values in accordance with AASB 139: *Financial Instruments: Recognition and Measurement*. Changes in the fair values of investments in financial assets, both positive and negative have been recognised in the Income Statement for the year.

Investments have been brought to account by the Group as follows:

Interests in Unlisted Securities in Companies and Trusts

Interests in unlisted companies and trusts are brought to account at fair value, determined in accordance with a valuation framework adopted by the directors. Discounted cash flow analysis is the methodology applied in the valuation framework as it is the generally accepted methodology for valuing airports and the basis upon which market participants have derived valuations for airport transactions.

Discounted cash flow is the process of estimating future cash flows that are expected to be generated by an asset and discounting these cash flows to their present value by applying an appropriate discount rate. The discount rate applied to the cash flows of a particular asset comprises the risk free interest rate appropriate to the country in which the asset is located and a risk premium, reflecting the uncertainty associated with the cash flows. The risk premium represents a critical accounting estimate.

The risk premia applied to the discounted cash flow forecasts of the Group's interests in securities in companies and trusts are as follows:

The valuation derived from the discounted cash flow analysis is periodically benchmarked to other sources such as independent valuations and recent market transactions to ensure that the discounted cash flow valuation is providing a reliable measure. The directors have adopted a policy of commissioning independent valuations of each of the assets on a periodic basis, no longer than three years.

Interest, dividends and other distributions received from investments brought to account at fair value are credited against the investments when received.

Interests in Listed Securities in Companies and Trusts

The fair value of financial assets traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. The fair value of listed assets not traded in active markets is determined by discounted cash flow analysis.

Interests in Other Financial Assets

Interests in convertible loans and other debt securities are brought to account at fair value. Adjustments to the fair value of convertible loans and other debt securities are recognised in the Income Statement.

Investment transaction costs are expensed as incurred.

MAp	*Copenhagen Airport %*	*Brussels Airport %*	*Bristol Airport %*
As at 31 December 2009			
*Risk free rate**	**3.6**	**3.6**	**-**
Risk premium	**9.4**	**8.6**	**-**
Total discount rate	**13.0**	**12.2**	**-**
As at 31 December 2008			
*Risk free rate**	4.0	4.2	4.0
Risk premium	9.4	8.0	10.3
Total discount rate	13.4	12.2	14.3

* *The risk free rate for each airport asset is determined using the yields on 10 year nominal government bonds in the relevant jurisdiction at the valuation date*

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

1. Summary of Significant Accounting Policies (continued)

e) Intangible Assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. Each of those cash generating units represents the Group's investment in the respective airports to which the goodwill relates.

Computer Software

Major projects in which computer software is the principal element are recognised as assets if there is sufficient certainty that the future earnings can cover the related costs.

Computer software primarily comprises external costs and other directly attributable costs.

Technical Service Agreements, Concessions and Customer Contracts

Technical service agreements, concessions and customer contracts have finite useful lives and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the intangible assets over their useful lives, which vary from to 7 to 16 years.

Leasehold Land

Leasehold land at Sydney Airport represents the right to use the land at Sydney Airport. It has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the costs of the intangible asset over its useful life, which is 99 years from 1 July 1998.

Airport Operator Licence

Airport operator licence at Sydney Airport represents the right to use and operate Sydney Airport. It has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the costs of the intangible assets over its useful life, which is 99 years from 1 July 1998.

f) Property, Plant and Equipment

Property, plant and equipment is measured at cost less accumulated depreciation.

Cost comprises the cost of acquisition and costs directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect costs attributable to the construction work, including salaries and wages, materials, components and work performed by subcontractors.

The depreciation base is determined as cost less any residual value. Depreciation is charged on a straight-line basis over the estimated useful lives of the assets and begins when the assets are ready for use.

Land is not depreciated.

The estimated useful lives of the major asset categories are as follows:

Asset category	*Useful lives*
Land and buildings	
Land improvements	*40 years*
Buildings	*5-100 years*
Leased buildings (including fit out)	*5-40 years*
Plant and machinery	
Runways, roads etc (foundation)	*80 years*
Surfaces of new runways, roads etc	*10 years*
Technical installations	*15-25 years*
Other fixtures and fittings, tools and equipment	*3-23 years*

1. Summary of Significant Accounting Policies (continued)

g) Investment Property

Investment properties are measured at cost less accumulated depreciation. Residual values are stated separately for each investment property. Investment property is depreciated over its useful life like other property, plant and equipment of a similar nature.

h) Distributions

Provision is made for the amount of any distribution payable by the Groups on or before the end of the financial year but not distributed at balance date.

i) Amortisation and Depreciation

Amortisation and depreciation comprise the year's charges for this purpose on MAp's intangible assets with a finite life and property, plant and equipment (refer to Notes 1(e) and 1(f)).

j) Earnings per Stapled Security

Basic Earnings per Stapled Security

Basic earnings per stapled security is determined by dividing the profit attributable to security holders by the weighted average number of securities on issue during the year.

Diluted Earnings per Stapled Security

Diluted earnings per stapled security adjusts the figures used in the determination of basic earnings per stapled security to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary stapled securities and the weighted average number of stapled securities assumed to have been issued for no consideration in relation to dilutive potential ordinary stapled securities.

k) Segment Reporting

The Group has applied AASB 8: *Operating Segments* from 1 January 2009. AASB 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in a change in the identification of reportable segments presented as in the prior period the primary basis of segment reporting was geographical.

Operating segments are now reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of the Responsible Entity.

For the year ended 31 December 2009 the segments are based on the core assets of MAp's investment portfolio being Sydney Airport, Copenhagen Airports, Brussels Airport and Bristol Airport. Comparatives for the year ended 31 December 2008 have been restated.

l) Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

m) Rounding of Amounts

The Group is of a kind referred to in Class Order 98/100 (as amended) issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. Profit for the Year

The operating profit from continuing operations before income tax includes the following specific items of revenue, other income and expense:

Consolidated	MAp 31 Dec 2009 $'000	MAp 31 Dec 2008 $'000
Revenue from continuing operations		
Interest income from related parties	**70,266**	90,734
Interest income from other persons and corporations	**22,252**	55,663
Fee income	**461**	10,806
Aeronautical revenue	**417,369**	1,084,509
Retail revenue	**192,734**	364,567
Property revenue	**118,836**	206,967
Revenue from rendering of services	**108,295**	300,366
Other	**16,164**	34,876
Total revenue from continuing operations	**946,377**	2,148,488
Other income – revaluation of investments		
Revaluation of Brussels Airport	**-**	561,244
Revaluation of ASUR	**50,567**	-
Revaluation of Copenhagen Airports	**-**	753,158
Revaluation of other airports	**51,974**	2,792
Revaluation of MAEL ordinary equity	**-**	-
	102,541	1,317,194
Other income – other		
Gain from disposal of subsidiaries (BAISA and CASA)	**-**	1,551,055
Gain on redemption of IIHL preference shares	**76,979**	-
Foreign exchange gains	**16,743**	-
Fair value movement on derivative contracts	**67,506**	-
Other	**2,472**	144
	163,700	1,551,199
Total other income	**266,241**	2,868,393
Total revenue and other income from continuing operations	**1,212,618**	5,016,881

2. Profit for the Year (continued)

Consolidated	Note	MAp 31 Dec 2009 $'000	MAp 31 Dec 2008 $'000
Operating expenses from continuing operations			
Finance costs			
Interest expense (TICkETS)		**57,716**	59,394
Interest expense (MACH debt facility)		**-**	65,441
Interest expense (Brussels)		**-**	111,169
Interest expense (Copenhagen)		**-**	40,500
Interest expense (Sydney)		**462,028**	509,450
Finance costs IIHL preference shares		**62,336**	-
Interest expense other		**1,083**	3,067
Fair value movement on convertible loans		**-**	5,552
Total finance costs from continuing operations		**583,163**	794,573
Administration expenses			
Auditors' remuneration		**1,347**	2,019
Custodians' fees		**538**	489
Directors' fees		**1,064**	431
Investment transaction expenses		**2,914**	3,373
Investor communication expenses		**433**	635
Legal fees		**2,156**	2,121
Registry fees		**1,032**	979
Responsible Entity's and Adviser's base fees		**26,657**	42,595
Adviser's performance fee		**-**	1,972
Staff costs		**2,358**	-
TICkETS redemption expenses		**42,884**	-
Adviser's termination fee in relation to BABL restructure*		**-**	118,955
Other administration expenses		**1,560**	2,403
Total administration expenses		**82,943**	175,972
Other operating expenses			
Revaluation of Japan Airport Terminal		**49,417**	189,336
Revaluation of Bristol Airport		**104,258**	2,973
Revaluation of ASUR		**-**	54,383
Revaluation of Brussels		**137,948**	-
Revaluation of Copenhagen		**204,728**	-
Revaluation of other airports		**4,050**	91,887
Foreign exchange losses		**-**	33,332
Fair value movement on derivative contracts		**-**	14,727
Loss from deconsolidation of subsidiary (BABL)		**-**	146,744
Staff costs		**35,188**	298,412
Amortisation and depreciation		**284,067**	595,914
Operating and maintenance		**95,109**	287,997
Energy and utilities		**14,661**	36,253
Technology		**3,301**	3,798
Other external costs		**15,899**	55,756
Total other operating expenses		**948,626**	1,811,512
Internalisation expenses			
Fee in relation to termination of management arrangements		**345,000**	-
Internalisation costs		**6,055**	-
		351,055	-
Total operating expenses from continuing operations		**1,965,787**	2,782,057

* During the prior year BABL terminated the Advisory Agreement with Macquarie Capital Funds (Europe) Limited and in accordance with the terms of the Termination Deed a termination fee in lieu of any and all future performance fees became payable. The terms of the termination deed were negotiated between the Adviser and the shareholders of Bristol Airports (Bermuda) Limited excluding MAp. MAp's share of the termination fee paid was A$76.4 million.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. Distributions and Dividends Paid and Proposed

Consolidated	MAp 31 Dec 2009 A$'000	MAp 31 Dec 2008 A$'000
The distributions were paid/payable as follows:		
Interim distribution paid for the period ended 30 June	**221,796**	223,425
Final distribution proposed and subsequently paid for the year ended 31 December	**148,897**	239,909
	370,693	463,334

	Cents per stapled security	Cents per stapled security
Interim distribution paid for the period ended 30 June (100% unfranked)	**13.0**	13.0
Final distribution proposed and subsequently paid for the year ended 31 December (100% unfranked)		
Distribution	**8.0**	14.0
	21.0	27.0

4. Investments in Financial Assets

The table below summarises the movements in MAp's significant investments during the year ended 31 December 2009.

Consolidated 2009	Brussels Airport A$'000 10(i)	Copenhagen Airports* A$'000 10(ii)	Bristol Airport A$'000 10(iii)	Japan Airport Terminal A$'000 10(iv)	ASUR A$'000 10(v)
Balance at 1 January 2009	**1,114,302**	**1,054,284**	**336,793**	**372,792**	**127,519**
Acquisitions	**-**	**124,357**	**-**	**-**	**-**
Income received from investments	**(29,058)**	**-**	**-**	**(1,558)**	**(14,050)**
Revaluation increment/(decrement) to 31 December 2009	**(137,948)**	**(204,728)**	**(104,258)**	**(49,417)**	**50,567**
Disposals	**-**	**(72)**	**(226,089)**	**(249,070)**	**-**
Revaluation increments attributable to foreign exchange movements recognised directly in equity to 31 December 2009	**-**	**(1,501)**	**-**	**(72,747)**	**(25,733)**
Balance at 31 December 2009	**947,296**	**972,340**	**6,446**	**-**	**138,303**

* Copenhagen Airports represents MAp's investment in CASA the holding entity through which the Copenhagen Airports investment was held as well as a direct investment into Copenhagen Airports.

Consolidated 2008	Brussels Airport A$'000 10(i)	Copenhagen Airports* A$'000 10(ii)	Bristol Airport A$'000 10(iii)	Japan Airport Terminal A$'000 10(iv)	ASUR A$'000 10(v)
Balance at 1 January 2008	-	-	545,881	388,637	74,775
Acquisitions	-	-	-	-	77,708
Income received from investments	-	-	(13,747)	(3,481)	(7,444)
Deconsolidation adjustment	553,058	301,126	(145,112)	-	-
Revaluation increment/(decrement) to 31 December 2008	561,244	753,158	(2,973)	(189,336)	(54,383)
Revaluation increments attributable to foreign exchange movements recognised directly in equity to 31 December 2008	-	-	(47,256)	176,972	36,863
Balance at 31 December 2008	1,114,302	1,054,284	336,793	372,792	127,519

4. Investments in Financial Assets (continued)

At 31 December 2009, the value of MAp's investments in non-controlled airport assets is A$2,065.3 million (2008:A$3,101.7 million) (including minority interests). The value of these investments which are unlisted has been determined by discounted cash flow analyses in accordance with the valuation framework adopted by the directors and applying specified risk premia as outlined in Note 1(d). The investment valuation sensitivity to movements in the risk premia and revenue forecasts are disclosed in the table below.

Consolidated	**2009 1% lower A$ million**	**2009 1% higher A$ million**	2008 1% lower A$ million	2008 1% higher A$ million
Change in valuation of investments due to movement in the risk premia				
Brussels Airport	**111.6**	**(95.7)**	127.1	(108.9)
Copenhagen Airports	**131.1**	**(109.5)**	124.9	(105.4)
Bristol Airport	**-**	**-**	44.0	(37.5)
	242.7	**(205.2)**	296.0	(251.8)
Change in the valuation of investments due to movement in revenue forecasts				
Brussels Airport	**(23.2)**	**23.4**	(30.3)	30.1
Copenhagen Airports	**(26.3)**	**26.7**	(29.2)	26.4
Bristol Airport	**-**	**-**	(7.5)	7.3
	(49.5)	**50.1**	(67.0)	63.8

Consolidated	**Consolidated 31 Dec 2009 A$'000**	Consolidated 31 Dec 2008 A$'000
Brussels Airport (i)		
Interests in unlisted securities in companies and trusts		
Investment in MAp Airports (Brussels) S.A.	**947,296**	1,114,302
Copenhagen Airports (ii)		
Interests in unlisted securities in companies and trusts		
Investment in Copenhagen Airports S.a r.l. (formerly Macquarie Airports Europe No.2 S.A.)	**832,150**	1,054,284
Investment in Københavns Lufthavne ApS	**140,190**	-
Bristol Airport (iii)		
Interests in unlisted securities in companies and trusts		
Investment in Bristol Airport (Bermuda) Limited	**6,446**	336,793
Japan Airport Terminal (iv)		
Interests in listed securities in companies and trusts		
Investment in Japan Airport Terminal Co Ltd	**-**	372,792
ASUR (v)		
Interests in listed securities in companies and trusts	**138,303**	127,519
Other investments (vi)		
Other investments	**943**	5,049
Total investments	**2,065,328**	3,010,739

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4. Investments in Financial Assets (continued)

(i) Brussels Airport

MAp's investment in Brussels Airport is held through BAISA, a special purpose vehicle established by a MAp led consortium to acquire an interest in The Brussels Airport Company (Brussels Airport). BAISA holds a 75.0% controlling interest in Brussels Airport.

MAp's investment in BAISA is comprised of ordinary shares, ordinary preferred shares (OPS) and convertible loans. Both the ordinary shares and the OPS carry a right to vote at Shareholder meetings.

The convertible loans issued by BAISA entitle the holders to effectively all of the income of BAISA and have a term of 51 years, unless terminated earlier in accordance with the terms of the Convertible Loan Agreements. Under the Convertible Loan Agreements, MAp may at any time prior to the expiry term apply to convert the outstanding loan into BAISA OPS.

At 31 December 2009, MAp held a 48.0% interest in BAISA. MAp's beneficial interest in Brussels Airport at 31 December 2009 was 36.0% and, on 21 January 2010, it increased to 39% following the acquisition of the 4.0% interest in BAISA held by Macquarie Global Infrastructure Fund 2 (GIF2).

Currently, the other shareholders in BAISA are Macquarie European Infrastructure Fund LP (MEIF) with a 13.3% interest, Macquarie European Infrastructure Fund III (MEIF3) with a 34.7% interest. If there is a change of control of a Macquarie shareholder, including where a Macquarie Group entity ceases to be its manager (but excluding a listing of the fund or the sale of its assets undertaken in the course of liquidating, terminating or winding up the fund), MAp has the option to purchase that interest in BAISA at fair value. The other shareholders do not have a corresponding right in respect of a change of control of MAp for so long as it is listed on a stock exchange.

(ii) Copenhagen Airports

MAp's investment in Copenhagen Airports is held through CASA and directly in Copenhagen Airports. CASA holds a 53.7% controlling interest in Copenhagen Airports.

MAp's investment in CASA is comprised of ordinary shares, shareholder loans and convertible loans.

The shareholder loans issued by CASA have a term of 51 years, unless terminated earlier in accordance with the terms of the Shareholder Loan Agreement. Under the Shareholder Loan Agreement, MAp may at any time prior to the expiry term apply to convert the outstanding loan into CASA Ordinary Preference Shares (OPS).

The convertible loans issued by CASA have a term of 51 years, unless terminated earlier in accordance with the terms of the Convertible Loan Agreement. Under the Convertible Loan Agreement, MAp may at any time prior to the expiry term apply to convert the outstanding loan into CASA OPS.

At 31 December 2009, MAp held a 50.0% interest in CASA and a 3.9% direct interest in Copenhagen Airports. MAp's beneficial interest in Copenhagen Airports at 31 December 2009 is 30.8%.

MEIF3 holds the other 50% interest in CASA. If there is a change of control of MEIF3, including where a Macquarie Group entity ceases to be its manager (but excluding a listing of the fund or the sale of its assets undertaken in the course of liquidating, terminating or winding up the fund), MAp has the option to purchase that interest in CASA at fair value.

(iii) Bristol Airport

The Company has a 1.0% interest in Bristol Airport through its investment in BABL which owns 50% of Bristol Airport. During the year MAIL sold a 58.4% interest in BABL to Ontario Teachers' Pension Plan (OTPP) and as at 31 December 2009 holds a 2.0% interest in BABL.

The remaining 2.0% interest in BABL is subject to a put and a call option at an exercise price of £3.6 million (A$6.5 million). The put option may be exercised by MAIL at any time during the six month period from the completion of the refinancing of the Bristol airport debt facility, the call option may be exercised by OTPP at any time during the six months commencing from the end of the put option.

(iv) Japan Airport Terminal

MAp's interest in Japan Airports Terminal (JAT) was held through International Infrastructure Holdings Limited (IIHL), a company owned 75.1% by the Company and 24.9% by Macquarie Capital Group Limited (MCGL).

On 20 May 2009, MAp announced its intention to tender its entire 14.9% interest in JAT into JAT's buyback tender offer. JAT shareholders approved the buyback on 26 June 2009. The buyback was completed on 3 August 2009 and MAp disposed of its entire interest in JAT. Gross sale proceeds approximated A$260.0 million (including the benefit of hedging arrangements that were previously entered into).

(v) ASUR

MAIL's beneficial interest in Grupo Aeroportuario del Sureste (ASUR) is 8.0%. ASUR is a Mexican airport group, listed on the New York and Mexican Exchanges. ASUR operates nine airports in the southeast of Mexico under 50 year concession contracts. MAp holds a further 7.9% economic interest through a series of swap agreements. This is presented as cash and other assets.

(vi) Other Investments

Other investments comprises investments in other airports and other airport related investments.

5. Property, Plant and Equipment and Investment Property

On 5 November 2008, MAp lost control of Copenhagen Airports and Brussels Airport. AASB127: *Consolidated and Separate Financial Statements* requires the assets and liabilities of a subsidiary to be derecognised from the date control ceased. Accordingly, the property, plant and equipment of Copenhagen Airports and Brussels Airport were deconsolidated from the date MAp lost control.

Consolidated	Land and buildings A$'000	Plant and machinery A$'000	Other fixtures and fittings, tools and equipment A$'000	Property, plant and equipment under construction A$'000	Total property, plant and equipment A$'000
Net book amount at 1 January 2009	**793,628**	**1,258,747**	**52,903**	**352,288**	**2,457,566**
Additions	**-**	**-**	**-**	**305,473**	**305,473**
Disposals / Transfers	**311,648**	**171,606**	**36,738**	**(521,030)**	**(1,038)**
Depreciation	**(73,746)**	**(75,740)**	**(29,781)**	**-**	**(179,267)**
Net book amount at 31 December 2009	**1,031,530**	**1,354,613**	**59,860**	**136,731**	**2,582,734**
At 31 December 2009					
Cost	**1,280,394**	**1,703,062**	**132,465**	**136,731**	**3,252,652**
Accumulated depreciation	**(248,864)**	**(348,449)**	**(72,605)**	**-**	**(669,918)**
Net book amount at **31 December 2009**	**1,031,530**	**1,354,613**	**59,860**	**136,731**	**2,582,734**
Net book amount at 1 January 2008	5,581,924	2,344,278	155,509	301,628	8,383,339
Additions	148,855	96,194	28,780	619,596	893,425
Disposals / Transfers	(52,816)	15,291	(9,173)	(222,127)	(268,825)
Disposals due to loss of control	(5,319,654)	(1,172,907)	(89,322)	(387,982)	(6,969,865)
Depreciation	(183,392)	(167,128)	(44,535)	-	(395,055)
Exchange differences	618,711	143,019	11,644	41,173	814,547
Net book amount at 31 December 2008	793,628	1,258,747	52,903	352,288	2,457,566
At 31 December 2008					
Cost	1,013,811	1,556,843	136,316	352,288	3,059,258
Accumulated depreciation	(220,183)	(298,096)	(83,413)	-	(601,692)
Net book amount at **31 December 2008**	793,628	1,258,747	52,903	352,288	2,457,566

Investment Property

Consolidated	MAp A$'000
Net book amount at 1 January 2008	45,668
Additions	-
Disposals due to loss of control	(51,544)
Depreciation	-
Exchange differences	5,876
Net book amount at 31 December 2008	-
At 31 December 2008	
Cost	-
Accumulated depreciation	-
Net book amount at 31 December 2008	-

The investment property balances represent land that is held by Copenhagen Airports.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

6. Intangible Assets

On 5 November 2008, MAp lost control of Copenhagen Airports and Brussels Airport. AASB127: *Consolidated and Separate Financial Statements* requires the assets and liabilities of a subsidiary to be derecognised from the date control ceased. Accordingly, the intangibles of Copenhagen Airports and Brussels Airport were deconsolidated from the date MAp lost control.

Consolidated	Technical Service Agreements A$'000	Concession and Customer Contracts A$'000
Net book amount at 1 January 2009	**-**	**122,702**
Amortisation charge for the year	**-**	**(22,679)**
Net book amount at 31 December 2009	**-**	**100,023**
At 31 December 2009		
Cost	**-**	**169,813**
Accumulated amortisation	**-**	**(69,790)**
Net book amount at 31 December 2009	**-**	**100,023**
Net book amount at 1 January 2008	**58,498**	**1,398,381**
Additions	-	-
Disposals	-	-
Disposals due to loss of control	(66,005)	(1,268,436)
Amortisation charge for the year	(17)	(111,540)
Exchange differences	7,524	104,297
Net book amount at 31 December 2008	-	122,702
At 31 December 2008		
Cost	-	169,813
Accumulated amortisation	-	(47,111)
Net book amount at 31 December 2008	-	122,702

* Leasehold land represents the right to use the land in relation to Sydney Airport.

Computer Software A$'000	Airport Operator Licence A$'000	Leasehold Land* A$'000	Goodwill A$'000	Total A$'000
-	**5,485,870**	**1,993,114**	**669,721**	**8,271,407**
-	**(59,905)**	**(22,216)**	**-**	**(104,800)**
-	**5,425,965**	**1,970,898**	**669,721**	**8,166,607**
-	**5,705,216**	**2,115,906**	**669,721**	**8,660,656**
-	**(279,251)**	**(145,008)**	**-**	**(494,049)**
-	**5,425,965**	**1,970,898**	**669,721**	**8,166,607**
32,016	**5,545,775**	**2,015,564**	**1,837,954**	**10,888,188**
14,593	-	-	-	14,593
(6,208)	-	-	-	(6,208)
(37,662)	-	-	(1,333,216)	(2,705,319)
(6,947)	(59,905)	(22,450)	-	(200,859)
4,208	-	-	164,983	281,012
-	5,485,870	1,993,114	669,721	8,271,407
-	5,705,216	2,116,073	669,721	8,660,823
-	(219,346)	(122,959)	-	(389,416)
-	5,485,870	1,993,114	669,721	8,271,407

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

6. Intangible Assets (continued)

Impairment Test for Goodwill

Goodwill is allocated to MAp's cash-generating units (CGU's) identified as being the respective airports.

Consolidated	31 Dec 2009 A$'000	31 Dec 2008 A$'000
Sydney Airport	**669,721**	669,721
Total Goodwill	**669,721**	669,721

The recoverable amount of a CGU is determined based on "fair value less cost to sell" by determining fair value using discounted cash flow analysis.

Key assumption used for fair value less cost to sell calculation

The key assumption used in the calculation to determine the fair value less cost to sell is the discount rate used in the discounted cash flow model. For Sydney Airport the discount rate used is 15.1% (refer Note 1(d)).

Discounted cash flow analysis is the methodology adopted by the directors to value MAp's airport investments. Valuations derived from the discounted cash flow analysis are periodically benchmarked to other sources such as independent valuations and recent market transactions to ensure that the discounted cash flow valuation is providing a reliable measure. The directors have adopted a policy of commissioning independent valuations of each of the assets on a periodic basis, no longer than three years.

Investment valuation sensitivity to an increase in the risk premium of 1% or a decrease in revenue forecasts of 1% would not result in an impairment of goodwill.

7. Earnings per Stapled Security

Consolidated	MAp 31 Dec 2009	MAp 31 Dec 2008
Basic earnings per stapled security	**(33.11)c**	120.50c
Diluted earnings per stapled security	**(33.11)c**	99.37c
Basic earnings per stapled security		
Profit/(loss) from continuing operations after income tax expense	**($615,077,072)**	$2,239,561,564
Minority interest	**$42,380,982**	($169,110,122)
Earnings used in calculation of basic earnings per stapled security	**($572,696,090)**	$2,070,451,442
Diluted earnings per stapled security / unit		
Earnings used in calculation of basic earnings per stapled security	**($572,696,090)**	$2,070,451,442
Interest expense savings on loans from MAREST	**$57,715,536**	$59,394,300
Interest income reduction on investment in TDT	**($36,251,183)**	($4,562,906)
Earnings used in calculation of diluted earnings per stapled security	**($551,231,737)**	$2,125,282,836
Weighted average number of securities / units on issue		
Weighted average number of ordinary securities used in calculation of basic earnings per stapled security	**1,729,714,778**	1,718,254,532
Conversion of TICkETS	**283,898,501**	420,489,778
Weighted average number of ordinary securities used in calculation of diluted earnings per stapled security	**2,013,613,279**	2,138,744,310

8. Segment Reporting

The directors of the Responsible Entity of MAp have determined the operating segments based on the reports reviewed by the chief operating decision maker, being the Board of MAp Airports Limited.

The Board considers the business from the aspect of each of the core portfolio assets and has identified four operating segments. The segments are the investments in Sydney Airport, Copenhagen Airports, Brussels Airport and Bristol Airport. MAp has control or joint control of these investments and as such, the directors of Responsible Entity of MAp can exert significant influence over the management control of the entities.

MAp's airport business also includes investments in Japan Airport Terminal (up to 3 August 2009) and Grupo Aeroportuario del Sureste S.A.B. de C.V. (ASUR). However, as the directors of the responsible entity of MAp do not have the ability to significantly influence the management decisions of the entities, the investments do not meet the definition of reportable segments under AASB 8: *Operating Segments*.

The operating segments note discloses the airport assets performance by individual core-portfolio airport in their respective local currencies. The information is presented at 100% of the earnings before interest, tax, depreciation and amortisation (EBITDA) rather than based on MAp's proportionate share. This is consistent with the manner in which this information is presented to the Board on a monthly basis in its capacity as chief operating decision maker, to monitor the portfolio asset fair values.

	Sydney Airport $'000	Copenhagen Airports DKK'000	Brussels Airport €'000	Bristol Airport £'000*
Year to 31 December 2009				
Total segment revenues	**853,347**	**2,923,959**	**365,660**	**48,220**
Total segment expenses	**(164,035)**	**(1,405,647)**	**(174,440)**	**(19,706)**
EBITDA	**689,312**	**1,518,312**	**191,220**	**28,514**
Year to 31 December 2008				
Total segment revenues	812,813	3,114,250	387,077	59,404
Total segment expenses	(163,393)	(1,493,818)	(164,220)	(25,024)
EBITDA	649,420	1,620,432	222,857	34,380

* Revenues and expenses for the period 1 January 2009 to 31 October 2009.

	Sydney Airport A$'000	Copenhagen Airports A$'000	Brussels Airport A$'000	Bristol Airport A$'000	Other A$'000	Total A$'000
Total segment assets						
31 December 2009	**11,780,802**	**972,340**	**947,295**	**6,446**	**1,302,792**	**15,009,675**
31 December 2008	11,876,775	1,054,284	1,114,302	336,793	3,151,334	17,533,488

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. Segment Reporting (continued)

A reconciliation of MAp EBITDA to profit/(loss) before income tax expense is provided as follows:

	Sydney Airport A$'000	Copenhagen Airports DKK'000	Brussels Airport €'000	Bristol Airport £'000	Other A$'000	Total A$'000
Year to 31 December 2009						
EBITA	**689,312**	**1,518,312**	**191,220**	**28,514**	**-**	
EBITDA of investments carried at Fair Value	**-**	**(1,518,312)**	**(191,220)**	**(28,514)**	**-**	
A$ equivalent	**689,312**	**-**	**-**	**-**	**-**	**689,312**
Other income and expenses						
Interest income						**92,447**
Fair value movement on derivative contracts						**67,506**
Other income						**79,913**
Revaluation expense of investments in financial assets						**(397,862)**
Finance costs						**(583,163)**
Amortisation and depreciation						**(284,067)**
Administration expenses						**(82,943)**
Foreign exchange losses						**16,743**
Other expenses						**(351,055)**
Loss before income tax expense						**(753,169)**

	Sydney Airport A$'000	Copenhagen Airports DKK'000	Brussels Airport €'000	Bristol Airport £''000	Other A$'000	Total A$'000
Year to 31 December 2008						
EBITA	649,420	1,620,432	222,857	34,380	-	
EBITDA of investments carried at Fair Value	-	(110,614)	(30,351)	(34,380)	-	
A$ equivalent	649,420	344,242	326,766	-	-	1,320,428
Other income and expenses						
Interest income						143,528
Fair value movement on derivative contracts						(14,727)
Other income						1,562,005
Revaluation income of investments in financial assets						1,317,194
Revaluation expense of investments in financial assets						(338,579)
Finance costs						(794,573)
Amortisation and depreciation						(595,914)
Administration expenses						(175,972)
Foreign exchange losses						(33,332)
Other expenses						(155,234)
Profit before income tax expense						2,234,824

9. Events Occurring after Balance Sheet Date

A final distribution of 8.00 cents (2008:14.00 cents) per stapled security was paid by MAIL (2008:MAT1) on 18 February 2009.

On 17 December 2009 MAp received an exercise notice of a put option in respect of Global Infrastructure Fund II's (GIF II) 3% beneficial interest in Brussels Airport. This put option was triggered as a result of the internalisation of MAp's management. This acquisition reached financial close on 21 January 2010 for total consideration of €46.6 million (A$75.8 million). This acquisition increases MAp's beneficial interest in Brussels Airport from 36.0% to 39.0%.

Since the end of the year, the directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in the financial report that has significantly affected or may significantly affect the operations of the Groups, the results of those operations or the state of affairs of the Groups in years subsequent to the year ended 31 December 2009.

10. Full Financial Report

Further financial information can be obtained from the full financial report which is available free of charge, on request. A copy may be requested by phoning Computershare Investor Services Pty Limited on 1800 102 368.

DIRECTOR'S DECLARATION

Statement by the Directors of the Responsible Entity of the Trust

In the opinion of the directors of MAp Airports Limited (the Responsible Entity), the Responsible Entity of MAT1, the consolidated concise financial report of MAp Airports Trust 1 (as defined in Note 1(a)) for the year ended 31 December 2009, as set out on pages 58 to 81, complies with the Accounting Standard AASB 1039: *Concise Financial Reports*.

The financial statements and specific disclosures included in the concise financial report have been derived from the financial report for the year ended 31 December 2009.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of MAp as the full financial report which, as indicated in Note 10, is available on request.

This declaration is made in accordance with a resolution of the directors.

Max Moore-Wilton
Sydney
24 February 2010

Trevor Gerber
Sydney
24 February 2010

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Independent Auditor's Report to the Unitholders of MAp Airports Trust 1

Report on the Concise Financial Report

The accompanying concise financial report of MAp Airports Trust 1 comprises the balance sheet as at 31 December 2009, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of MAp Airports Trust 1 for the year ended 31 December 2009. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The directors of MAp Airports Limited, the Responsible Entity of the MAp Airports Trust 1, are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of MAp Airports Trust 1 for the year ended 31 December 2009. Our audit report on the financial report for the year was signed on 24 February 2010 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion, the concise financial report of MAp Airports Trust 1 for the year ended 31 December 2009 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

PricewaterhouseCoopers
PricewaterhouseCoopers

Wayne Andrews
Wayne Andrews
Partner

Sydney
24 February 2010


AIRBUS
A380
World Tour 2006

STAPLED SECURITY HOLDER INFORMATION
AT 28 FEBURARY 2010

Distribution of Stapled Securities

Range	Total holders	Number of stapled securities	% of stapled securities
1 – 1,000	6,436	2,948,906	0.16
1,001 – 5,000	14,223	39,328,846	2.11
5,001 – 10,000	7,202	51,809,650	2.78
10,001 – 100,000	7,083	151,962,709	8.16
100,001 and over	286	1,615,160,671	86.79
Total	**35,230**	**1,861,210,782**	**100%**

Unmarketable parcels	Minimum parcel size	Holders	Units
Minimum A$500.00 parcel at A$2.78 per stapled security	180	1,431	89,276

MAp Airports International Limited has also issued one Stapling Share to MAp Airports Limited as responsible entity of MAT2.

Top 20 Holders of Stapled Securities as at 28 February 2010

Rank	Investor	Number of stapled securities	% of stapled securities
1	Macquarie LAH Pty Ltd	402,812,024	21.64
2	HSBC Custody Nominees (Australia) Limited	357,532,800	19.21
3	J P Morgan Nominees Australia Limited	303,102,360	16.29
4	National Nominees Limited	123,158,709	6.62
5	J P Morgan Nominees Australia Limited	99,401,910	5.34
6	National Nominees Limited	99,039,340	5.32
7	Citicorp Nominees Pty Limited	38,003,588	2.04
8	ANZ Nominees Limited	36,168,210	1.94
9	Queensland Investment Corporation	16,045,533	0.86
10	Cogent Nominees Pty Limited	12,926,152	0.69
11	Argo Investments Limited	9,528,810	0.51
12	AMP Life Limited	8,470,037	0.46
13	RBC Dexia Investor Services Australia Nominees Pty Limited	5,119,850	0.28
14	RBC Dexia Investor Services Australia Nominees Pty Limited	4,152,308	0.22
15	Australian Reward Investment Alliance	3,575,046	0.19
16	Ms Kerrie Mather	3,554,521	0.19
17	Macquarie Capital Loans Management Limited	3,098,033	0.17
18	HSBC Custody Nominees (Australia) Limited	3,038,229	0.16
19	ANZ Nominees Limited	2,669,942	0.14
20	Venamay Pty Limited	2,439,012	0.13
Total		**1,533,836,414**	**82.41**

Details of Substantial Stapled Security Holders

Name	Number of stapled securities	% of stapled securities
Macquarie Group	431,577,501	23.19%
The Capital Group	152,608,583	8.20%
FMR LLC and FIL Limited	93,343,201	5.02%

DIRECTOR PROFILES

Max Moore-Wilton AC, BEc

Chairman MAp Airports Limited
Director MAp Airports International Limited

Max was appointed as chairman of MAp Airports Limited in April 2006. He is also a director of MAp Airports International Limited, the chairman of Sydney Airport and a director of Copenhagen Airports. Prior to this appointment, from 1996 Max was Secretary to the Department of Prime Minister and Cabinet where he oversaw fundamental reform to the Commonwealth Public Service.

Max has had a distinguished career in both the private and public sectors. He has held positions as either chairman or board member of a number of major Commonwealth and State business enterprises, and has extensive experience in the transport sector.

Max is Chairman of the Airports Council International and is chairman of Southern Cross Media Group (previously Macquarie Media Group) (appointed 2007).

Trevor Gerber, BAcc, CA

Director MAp Airports Limited

Trevor worked for Westfield Holdings Limited for 14 years as group treasurer and subsequently as director of funds management responsible for Westfield Trust and Westfield America Trust.

Trevor is also a director of the following listed entities:

Current:

- Valad Property Group (chairman) (appointed 2002)

Previous:

- Macquarie ProLogis Management Limited (until 2007)
- Everest Babcock & Brown Alternative Investment Trust (until 2009)
- Everest Financial Group (chairman) (until 2009).

Bob Morris, BSc, BE, M Eng Sci

Director MAp Airports Limited

Bob is a transport consultant. Prior to 2003 Bob was an executive director of Leighton Contractors. He led the successful Leighton proposals for the Eastern Distributor and the Westlink M7 toll roads.

Prior to Leightons, he was the director of the Sydney region of the Roads and Traffic Authority, where he was closely involved with the M2, M4 and M5 toll roads, as well as the Sydney Harbour Tunnel.

Bob was chairman of the Sydney Roads Group until June 2007. He is currently:

- Chairman, RiverCity Motorway Group (appointed 2006)
- Director, Aspire Schools Financing Services (Qld) (appointed 2009).

Hon. Michael Lee, BSc, BE, FIE Aust

Director MAp Airports Limited

Michael served in the Australian Parliament for 17 years, and held a number of senior positions in both government and opposition. He was Minister for Tourism, Communications and the Arts in the Keating Government. He is currently:

- Director, Country Energy (appointed 2002)
- Director, DUET Group (appointed 2004)
- Chairperson, NSW TAFE Commission Board
- Director, Superpartners (appointed 2009)
- Chairman, Communications Alliance (appointed 2009).

John Roberts, LLB

Director MAp Airports Limited

John joined Macquarie in 1991 and is the Global Head of Macquarie Capital Funds. John is either on the investment committee or a director (or alternate director) of the Macquarie specialist funds with interests in infrastructure, roads, airports, utilities, media, retirement facilities, private equity, industrial businesses, and real estate. The Macquarie Capital Funds are located and invest in North America, Europe and Asia, and the emerging markets of India, Mexico, Russia and China.

John has more than 27 years of banking and finance experience, and he provides both oversight and strategic expertise to Macquarie's investment teams. Since joining Macquarie in 1991, John has held many key roles including head of Macquarie's London office when overseeing Macquarie Capital's activities throughout Europe.

John has a Bachelor of Laws degree from The University of Canterbury in New Zealand.

John is also a director of the following listed entities:

Current:

- Macquarie International Infrastructure Fund (appointed 2005)
- Macquarie Infrastructure Company (appointed 2004)
- DUET Group (appointed 2004)
- Macquarie Atlas Roads Limited (appointed 2010)

Previous:

- Macquarie Infrastructure Group (until 2008)
- Macquarie Communications Infrastructure Group (until 2008).

Jeffrey Conyers

Chairman MAp Airports International Limited

Jeffrey began his professional career as a stockbroker in Toronto and returned to Bermuda in 1985 to join the Bank of Bermuda where his focus was investments and trusts.

A founding executive council member and deputy chairman of the Bermuda Stock Exchange, Jeffrey is also a director of numerous other companies in Bermuda and is the chief executive officer of First Bermuda Group Limited. The First Bermuda Group provides an advisory and execution service on worldwide offshore mutual funds to individuals and local companies based in Bermuda.

Jeffrey was appointed as a director of Intoll International Limited (formerly Macquarie Infrastructure Group International Limited) in 2005 and was appointed as a director of Macquarie Atlas Roads International Limited in 2010 following on from the reorganisation of Macquarie Infrastructure Group.

Sharon A. Beesley, BA (Hons), LLM

Director MAp Airports International Limited

Sharon is a co-founder of the ISIS Group and serves as Chief Executive Officer of ISIS Limited, Senior Counsel of ISIS Law, and a director of ISIS Fund Services Ltd.

The ISIS Group was established in 1998 with ISIS Limited as a Bermuda-based legal consultancy and corporate finance business with the aim that the business generating revenue assist with funding an active not for profit organisation, the ISIS Foundation, which provides health and education services, primarily for mothers and children in need, working in partnership with local community groups in Nepal and Uganda. In addition ISIS Law is a boutique corporate law firm specialising in the areas of investment funds, structured finance and a broad range of corporate advisory work.

Sharon is the Chairman of the Investment Funds Committee for Bermuda Business which represents all aspects of the investment fund industry in Bermuda. Before joining ISIS, Sharon worked for several years in London and Hong Kong with Linklaters and was head of banking with Mello Jones & Martin, a Bermudian law firm. She is a director of the following publicly listed funds:

- Director, Macquarie Equinox Limited (appointed 2001)
- Director, Martin Currie China A Share Corporation Limited (appointed 2005).

Stephen Ward, LLB

Director MAp Airports International Limited

Stephen is Head of Simpson Grierson's Corporate/Commercial Department and is a Simpson Grierson Board member. Simpson Grierson is one of New Zealand's largest commercial law firms.

Stephen advises New Zealand and international corporates on all aspects of business law and overseas investment in New Zealand. He works with many of Simpson Grierson's clients on strategic issues, corporate governance and statutory compliance.

Stephen is a Member of the Commercial and Business Law Committee of the New Zealand Law Society and is a trustee of the Life Flight Trust which operates the Westpac rescue helicopter service in the Wellington region and a national air ambulance service. He is also a member of the New Zealand Rugby Union Appeal Council.

MANAGEMENT AND COMPANY SECRETARY PROFILES

Kerrie Mather, BA, MComm
Chief Executive Officer

Kerrie established MAp in 2002 and has been the Chief Executive Officer of MAp since its inception. At the time of listing, MAp owned seed investments in Bristol and Birmingham airports in the UK. Since then Kerrie led the successful acquisitions of investments in Sydney Airport in 2002, Rome Airports in 2003, Brussels Airport in 2004, Copenhagen Airports in 2005, Japan Airport Terminal (JAT) in 2007 and ASUR in 2008, as well as the divestments of Rome and Birmingham airports in 2007 and Bristol Airport and JAT in 2009. Kerrie is a Director of Sydney Airport, Brussels Airport and Copenhagen Airports. Kerrie is an airport expert with 18 years prior experience as a corporate adviser on acquisitions and various business and financial decisions focused on the airports sector.

Martyn Booth, BA (Hons)
Head of MAp Europe

Between 1981 and 1994, Martyn held various roles at BAA plc, including director of corporate strategy, head of finance at Heathrow Airport and general manager of privatisation. Martyn also held the position of economic advisor to HM Treasury.

He joined the Macquarie Group in October 2000 when Macquarie acquired the Portland Group, the international consulting business which Martyn co-founded in 1994. Martyn has been part of the MAp team since inception.

Keith Irving, BSc (Hons), AMIMA, AIFS
Chief Financial Officer

Keith was appointed Chief Financial Officer of MAp in August 2009. He joined in 2006 as MAp's Head of Investor Relations and remains responsible for developing MAp's relationships with both institutional and retail investors, and market analysts. Before joining MAp, Keith spent nine years as an equity research analyst with a major US investment bank covering a variety of markets out of Hong Kong and Sydney. He started his career with Barclays plc in London.

Sally Webb, BA(As), LLB (Hons), FFin
General Counsel and Company Secretary

Sally is a qualified solicitor with more than 14 years' experience. Sally joined the MAp team in 2003 where she has been responsible for the legal and company secretarial function. In this position for MAp, and in respect of other Macquarie funds, Sally has been responsible for the legal role for a large number of capital raisings, restructures and asset acquisitions and divestments. Prior to joining MAp, Sally worked for leading law firms in Sydney and Tokyo. In private practice she specialised in mergers and acquisitions and capital markets.

Anne Bennett-Smith
MAp Airports International Limited Company Secretary

Anne has 10 years' experience as a company secretary. She is an employee of ISIS Fund Services Ltd and is responsible for the corporate administration of a growing portfolio of offshore funds and management and investment holding companies domiciled in Bermuda, Cayman Islands and the British Virgin Islands. ISIS Fund Services Ltd has been appointed as assistant company secretary.


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SPECIAL NOTICE AND DISCLAIMER

Stapling

In accordance with its requirements in respect of stapled securities, ASX reserves the right to remove MAT1, MAT2 and/or MAIL from the official list of ASX if, while the stapling arrangements apply, the securities in one of the entities cease to be stapled to the securities in the other entities or one of the entities issues securities which are not then stapled to the relevant securities in the other entities.

Takeover Provisions

Unlike MAT1 and MAT2, MAIL is not subject to Chapter 6 of the *Corporations Act 2001* dealing with the acquisition of shares (including substantial holdings and takeovers). Bermuda company law does not currently have a takeover code, which effectively means that by virtue of the stapling arrangements, a takeover of MAp would be regulated under Australian takeover law. Notwithstanding this, sections 102 and 103 of the Companies Act 1981 (Bermuda) permit (subject to the requirements of each of the sections being met) compulsory acquisition in certain circumstances where the controlling shareholder owns 90% and 95% of the shares of the target.

Foreign Ownership Restrictions

So that MAT1 and MAT2 can invest in Australian airports, MAp Airports Limited has obtained declarations under the Airports Regulations that MAT1 and MAT2 are each a substantially Australian investment fund. For each of MAT1 and MAT2 to remain declared a substantially Australian investment fund, they must not at any time become a trust in which a beneficial interest in at least 40% of the income or capital is held by persons who are foreign persons (Foreign Persons) as defined in the *Airports Act 1996*.

The MAp constitutions set out a process for disposal of securities to prevent MAp from becoming a Foreign Person or to cure the situation where MAp becomes a Foreign Person (Foreign Ownership Situation). Where a Foreign Ownership Situation occurs or is likely to occur, MAp can require a foreign security holder (on a last in first out basis) to dispose of MAp securities. MAp has the power to commence procedures to divest foreign security holders once the foreign ownership of MAp reaches 39.5% under the Foreign Ownership Divestment Rules that it has adopted. If the foreign security holder fails to dispose of its MAp securities, MAp may sell those securities at the best price reasonably obtainable at the time.

Privacy

We understand the importance you place on your privacy and are committed to protecting and maintaining the confidentiality of the personal information you provide to us. MAp's privacy policy is available on its website.

Disclaimer

The information in this annual report is given in good faith and derived from sources believed to be accurate at this date but no warranty of accuracy or reliability is given and no responsibility arising in any other way, including by reason of negligence for errors or omission herein is accepted by MAp or its officers.

This annual report is general advice and does not take into account the particular investment objectives, financial situation or particular needs of the investor. Before making an investment in MAp, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

Annual Financial Report

A copy of the full MAp annual financial report for the 12 month period ended 31 December 2009 is available on the MAp website:

www.mapairports.com.au

Complaints Resolution

A formal complaints handling procedure is in place for MAp. MAp Airports Limited is a member of the Financial Ombudsman Service approved by ASIC. Complaints should, in the first instance, be directed to MAp Airports Limited.

Airport Help
Shops

Corporate Directory

MAp Airports Limited
ABN 85 075 295 760/AFSL 236875

Level 9, 130 Pitt Street
Sydney NSW 2000
Investor Relations: 61 2 9237 3333
Toll free: 1800 181 895
Facsimile: 61 2 9237 3399
www.mapairports.com.au

MAp Airports Limited is responsible entity of
MAp Airports Trust 1 and MAp Airports Trust 2

Directors of MAp Airports Limited

Max Moore-Wilton (Chairman)
Trevor Gerber
Bob Morris
Michael Lee
John Roberts

Chief Executive Officer of MAp

Kerrie Mather

Secretary of MAp Airports Limited

Sally Webb

MAp Airports International Limited
RN 31667/ARBN 099 813 760

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2nd Floor
Hamilton HM 12
Bermuda

Directors of MAp Airports International Limited

Jeff Conyers (Chairman)
Sharon Beesley
Stephen Ward
Max Moore-Wilton

Secretary of MAp Airports International Limited

Anne Bennett-Smith

Corporate Affairs Manager

Bryony Duncan-Smith
Telephone: 61 2 9237 3333

Registrar

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