MAp

CONCISE FINANCIAL REPORT FOR YEAR ENDED 31 DECEMBER 2009

MAp (formerly Macquarie Airports) comprising MAp Airports Trust 1 (formerly Macquarie Airports Trust (1)) and its controlled entities

Financial Report
for year ended 31 December 2009

MAp comprises MAp Airports Trust 1 (ARSN 099 597 921), MAp Airports Trust 2 (ARSN 099 597 896) and MAp Airports International Limited (ARBN 099 813 180).

MAp Airports Limited ACN 075 295 760 (AFSL 236875) ("MAPL") is the responsible entity of MAp Airports Trust 1 and MAp Airports Trust 2. This report is not an offer or invitation for subscription or purchase of or a recommendation of securities. It does not take into account the investment objectives, financial situation and 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.

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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.

	Sydney Airport	Brussels Airport	Copenhagen Airports	Bristol Airport	JAT	ASUR
	%	%	%	%	%	%
MAp Interest*						
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

* Excluding minority interest.

The following table outlines the fair values of each of MAp's investments as at 31 December 2009. The fair values have been determined in accordance with a valuation framework adopted by the directors. Discounted cash flow analysis is the methodology applied in the valuation framework.

	Sydney Airport* $m	Brussels Airport** $m	Copenhagen Airports** $m	Bristol Airport $m	JAT $m	ASUR*** $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

* 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.

** 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 A/S.

*** Including 7.9% through a series of swap agreements.

Directors' Report
for year ended 31 December 2009

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 $'000	MAp Consolidated 2008 $'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

Directors' Report
for year ended 31 December 2009

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 $17.6 million. In total 12.5 million stapled securities were purchased during the buyback for a total consideration of $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 $263.0 million in new capital of which MAp contributed $199.3 million. $144.4 million of the MAp contribution was paid on 27 November 2008 as an early equity contribution. The remaining $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 $870.0 million in new capital of which MAp contributed $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 $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 $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 $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 $345.0 million it would undertake a 1 for 11 non-renounceable pro-rata entitlement offer at $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 $356.7 million in additional capital was raised.

Directors' Report
for year ended 31 December 2009

Significant Changes in State of Affairs (continued)

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 GBP128.0 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 ofGBP3.6 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 GBP124.1 million ($232.5 million).

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 ($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 $105.26 each. Consequently MAT1 repaid both the OLA and FOLA loans to MAREST.

The total redemption of $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 resut of the internalisation of MAp's management. This acquisition reached financial close on 21 January 2010 for total consideration of EUR46.6 million ($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.

Directors' Report
for year ended 31 December 2009

Remuneration Report

Contents

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.

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.

Directors' Report
for year ended 31 December 2009

Remuneration Report (continued)

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.

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 Company Secretary[2]	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[4]	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 Consel 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.

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for year ended 31 December 2009

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 09	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 NEDs' 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.

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.

Directors' Report
for year ended 31 December 2009

Remuneration Report (continued)

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.

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**	**Superannuation**	**Other**	**Total**
		A$'000	**A$'000**	**A$'000**	**A$'000**
Max Moore-Wilton[5]	2009	100[6]	9[6]	5[7]	114
Chairman MAPL	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	2009	35	Nil	25[8]	60
Chairman MAIL	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.

Directors' Report
for year ended 31 December 2009

Remuneration Report (continued)

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

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).

Interests in the Group held by the Responsible Entity and its associates during the year are disclosed 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 $'000**	Consolidated 2008 $'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.

9 Balance as at 16 October 2009 being the date of Mr Roberts' appointment.

Directors' Report
for year ended 31 December 2009

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 auditors' independence declaration, as required under section 307C of the Corporations Act 2001 is set out on page 11.

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 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 the entities it controlled during the year.

Wayne Andrews

Wayne Andrews
Partner

Sydney
24 February 2010

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Statement of Comprehensive Income

	Note	MAp 31 Dec 2009 $'000	MAp 31 Dec 2008 $'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

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

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

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Consolidated Balance Sheet

	Note	**MAp 31 Dec 2009 $'000**	MAp 31 Dec 2008 $'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.

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for year ended 31 December 2009

Consolidated Statement of Changes in Equity

MAp consolidated	Note	Attributable to MAp security holders Contributed equity $'000	Reserves $'000	Retained earnings $'000	Total $'000	Minority interest $'000	Total equity $'000
Total equity at 1 January 2009		**3,610,110**	**(60,293)**	**2,643,495**	**6,193,312**	**359,100**	**6,552,412**
Loss for the period		**-**	**-**	**(572,696)**	**(572,696)**	**(42,381)**	**(615,077)**
Exchange differences on translation of foreign operations		**-**	**(126,368)**	**-**	**(126,368)**	**(7,734)**	**(134,102)**
Cash flow hedges, net of tax		**-**	**117,641**	**-**	**117,641**	**42,269**	**159,910**
Total comprehensive income		**-**	**(8,727)**	**(572,696)**	**(581,423)**	**(7,846)**	**(589,269)**
Transactions with equity holders in their capacity as equity holders:							
Transaction costs paid in relation to contributions to equity (net of tax effect)		**(505)**	**-**	**-**	**(505)**	**-**	**(505)**
Contributions of equity		**356,697**	**-**	**-**	**356,697**	**-**	**356,697**
Securities cancelled pursuant to security buy-back (including transaction costs)		**(17,642)**	**-**	**-**	**(17,642)**	**-**	**(17,642)**
(Increased)/decreased interest in subsidiaries obtained during the period		**-**	**(96,156)**	**-**	**(96,156)**	**37,259**	**(58,897)**
Transfer to/(from) capital reserve		**-**	**(104,283)**	**104,283**	**-**	**-**	**-**
Distributions provided for or paid	3	**-**	**-**	**(370,693)**	**(370,693)**	**(27,150)**	**(397,843)**
Contributions of equity by minority interest holders		**-**	**-**	**-**	**-**	**199,570**	**199,570**
Total equity at 31 December 2009		**3,948,660**	**(269,459)**	**1,804,389**	**5,483,590**	**560,933**	**6,044,523**
Total equity at 1 January 2008		3,619,852	473,682	572,138	4,665,672	2,384,530	7,050,202
Profit for the period		-	-	2,070,451	2,070,451	169,111	2,239,562
Exchange differences on translation of foreign operations		-	344,531	-	344,531	207,791	552,322
Cash flow hedges, net of tax		-	(288,726)	-	(288,726)	(68,127)	(356,853)
Total comprehensive income		-	55,805	2,070,451	2,126,256	308,775	2,435,031
Transactions with equity holders in their capacity as equity holders:							
Transaction costs paid in relation to contributions to equity (net of tax effect)		(13)	-	-	(13)	-	(13)
Contributions of equity (buyback)		(9,729)	-	-	(9,729)	-	(9,729)
Increase/(decreased) interest in subsidiaries obtained during the period		-	2,413	-	2,413	(79,200)	(76,787)
Minority interest derecognised on loss of control of subsidiary		-	(127,953)	-	(127,953)	(1,943,805)	(2,071,758)
Transfer to/(from) capital reserve		-	(464,240)	464,240	-	-	-
Distributions provided for or paid		-	-	(463,334)	(463,334)	(364,054)	(827,388)
Contributions of equity by minority interests		-	-	-	-	52,854	52,854
Total equity at 31 December 2008		3,610,110	(60,293)	2,643,495	6,193,312	359,100	6,552,412

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

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Consolidated Cash Flow Statement

	Note	**MAp 31 Dec 2009 $'000**	MAp 31 Dec 2008 $'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
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 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.

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

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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 $615.1 million (2008: $2,239.6 million profit) primarily reflects the impact of the following:

- Airport operating revenue of $837.2 million (2008: $1,956.4 million) and airport operating costs of $448.2 million (2008: $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 $102.5 million (2008: $1,317.2 million) which comprised:
  - revaluation increment of MAp's interests in ASUR of $50.6 million (2008: $54.4 million decrement);
  - revaluation increment of MAp's interest in other airports of $52.0 million (2008: $2.8 million);
  - the prior year included revaluation increments of MAp's interest in Brussels Airport of $561.2 million and MAp's interest in Copenhagen Airports of $753.2 million. The value of these investments decreased this year by $138.0 million and $204.7 million respectively and the amounts are included in operating expenses.
- Interest revenue of $92.5 million (2008: $146.4 million) and finance costs of $583.2 million (2008: $794.6 million).
- Other income in the year of $180.3 million (2008: $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 $26.7 million (2008: $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 $500.4 million (2008: $338.6 million) which comprised:
  - revaluation decrement of MAp's interest in Japan Airport Terminal $49.4 million (2008: $189.3 million);
  - revaluation decrement of MAp's interest in Brussels Airport $138.0 million (2008: $561.2 million increment);
  - revaluation decrement of MAp's interest in Copenhagen Airports $204.7 million (2008: $753.2 million increment);
  - revaluation decrement of MAp's interest in Bristol airport of $104.3 (2008: $3.0 million)
  - revaluation decrement of MAp's interests in other airports of $4.1 million (2008: $91.9 million);
  - the prior year included the revaluation decrement of MAp's investment in ASUR of $54.4 million. The value of this investment increased in the current year by $50.6 million and the increase is included in income.
- Expenses related to the redemption of TICkETS of $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 $345.0 million and other costs relating to the internalisation of management of $6.1 million.

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Discussion and Analysis (continued)

Discussion and Analysis of Financial Performance (continued)

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 $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 $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.

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 GBP127.7 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 GBP3.6 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 GBP124.1 million ($232.5 million).

Minority interests

Minority interest in the loss from ordinary activities of $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 A/S attributable to minority interests for the year ended 31 December 2009 (2008: $169.1 million profit). In relation to BABL, BAISA and Copenhagen Airports A/S 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 $17,533.5 million in the prior year to $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 $10,981.1 million in the prior year to $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 $6,044.5 million (2008: $6,552.4 million), of which $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 $17.6 million (2008: $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 $356.2 million net of transaction costs.

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Discussion and Analysis (continued)
Discussion and Analysis of Cash Flows

Cash flows from operating activities have decreased from $1,150.9 million in the prior year to $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 $359.5 million in the current year.

Net cash inflows from investing activities of $929.1 million (2008: outflow of $230.6 million) primarily reflect cash proceeds from the MAp's divestments in Bristol Airport, $221.4 million net of cash disposed plus the proceeds from the sale of investments of $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 $844.7 million less outflows on additional investments of $122.7 million and a further $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 $2,143.0 million (2008: $1,256.8 million). The outflows primarily reflect distributions paid to MAp security holders of $461.7 million, repayment of borrowings of $1,621.1 million, payments of borrowing cost of $433.0 million, capital raising costs of $17.6 million and distributions of $141.6 million that were paid to minority interests. These outflows are partially offset by proceeds from issue of units $356.7 million, issue of securities to minority interests $172.9.

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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.

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1. Summary of Significant Accounting Policies (continued)

(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.

(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 Groups' interests in securities in companies and trusts are as follows:

MAp	Copenhagen Airport[1] %	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

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.

1. Summary of Significant Accounting Policies (continued)

(d) Investments in airport assets (continued)

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.

(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.

1. Summary of Significant Accounting Policies (continued)

(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

(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.

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1. Summary of Significant Accounting Policies (continued)

(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 indentified 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.

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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

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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 BABL excluding MAp. MAp's share of the termination fee paid was $76.4 million.

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3. Distributions and Dividends Paid and Proposed

Consolidated	MAp 31 Dec 2009 $'000	MAp 31 Dec 2008 $'000
The distributions were paid/payable as follows:		
Interim distribution paid for the period ended 30 June	**221,796**	223,425
Final dividend 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 dividend 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 $'000 10(i)	Copenhagen Airports * $'000 10(ii)	Bristol Airport $'000 10(iii)	Japan Airport Terminal $'000 10(iv)	ASUR $'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 $'000 10(i)	Copenhagen Airports $'000 10(ii)	Bristol Airport $'000 10(iii)	Japan Airport Terminal $'000 10(iv)	ASUR $'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

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4. Investments in Financial Assets (continued)

At 31 December 2009, the value of MAp's investments in non-controlled airport assets is $2,065.3 million (2008: $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 $ million**	**2009 1% higher $ million**	2008 1% lower $ million	2008 1% higher $ 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 $'000**	Consolidated 31 Dec 2008 $'000
Brussels Airport (i)		
Interests in unlisted securities in companies and trusts		
Investment in Brussels Airports Investments S.a. r.l. (formerly Macquarie Airports (Brussels) S.A.)	**947,296**	1,114,302
Copenhagen Airports (ii)		
Interests in unlisted securities in companies and trusts		
Investment in Brussels Airport Investments S.a r.l. (formerly Macquarie Airports (Brussels) S.A.)	**832,150**	1,054,284
Investment in Københavns Lufthavne A/S	**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

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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 BAISA 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 GBP3.6 million ($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.

4. Investments in Financial Assets (continued)

(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 $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 collateral 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 $'000**	**Plant and machinery $'000**	**Other fixtures and fittings, tools and equipment $'000**	**Property, plant and equipment under construction $'000**	**Total property, plant and equipment $'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

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5. Property, Plant and Equipment and Investment Property (continued)

Investment property

Consolidated	Total $'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.

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 $'000	Concession and Customer Contracts $'000	Computer Software $'000	Airport Operator Licence $'000	Leasehold Land* $'000	Goodwill $'000	Total $'000
Net book amount at 1 January 2009	**-**	**122,702**	**-**	**5,485,870**	**1,993,114**	**669,721**	**8,271,407**
Amortisation charge for the year	**-**	**(22,679)**	**-**	**(59,905)**	**(22,216)**	**-**	**(104,800)**
Net book amount at 31 December 2009	**-**	**100,023**	**-**	**5,425,965**	**1,970,898**	**669,721**	**8,166,607**
At 31 December 2009							
Cost	**-**	**169,813**	**-**	**5,705,216**	**2,115,906**	**669,721**	**8,660,656**
Accumulated amortisation	**-**	**(69,790)**	**-**	**(279,251)**	**(145,008)**	**-**	**(494,049)**
Net book amount at 31 December 2009	**-**	**100,023**	**-**	**5,425,965**	**1,970,898**	**669,721**	**8,166,607**
Net book amount at 1 January 2008	58,498	1,398,381	32,016	5,545,775	2,015,564	1,837,954	10,888,188
Additions	-	-	14,593	-	-	-	14,593
Disposals	-	-	(6,208)	-	-	-	(6,208)
Disposals due to loss of control	(66,005)	(1,268,436)	(37,662)	-	-	(1,333,216)	(2,705,319)
Amortisation charge for the year	(17)	(111,540)	(6,947)	(59,905)	(22,450)	-	(200,859)
Exchange differences	7,524	104,297	4,208	-	-	164,983	281,012
Net book amount at 31 December 2008	-	122,702	-	5,485,870	1,993,114	669,721	8,271,407
At 31 December 2008							
Cost	-	169,813	-	5,705,216	2,116,073	669,721	8,660,823
Accumulated amortisation	-	(47,111)	-	(219,346)	(122,959)	-	(389,416)
Net book amount at 31 December 2008	-	122,702	-	5,485,870	1,993,114	669,721	8,271,407

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

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 $'000	31 Dec 2008 $'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 EUR'000	Bristol Airport* GBP'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 $'000	Copenhagen Airports $'000	Brussels Airport $'000	Bristol Airport $'000	Other $'000	Total $'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

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

	Sydney Airport $'000	Copenhagen Airports DKK'000	Brussels Airport EUR'000	Bristol Airport GBP'000	Other $'000	Total $'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)	-	
AUD 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)**

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8. Segment Reporting (continued)

	Sydney Airport $'000	Copenhagen Airports DKK'000	Brussels Airport EUR'000	Bristol Airport GBP'000	Other $'000	Total $'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)	-	
AUD 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 resut of the internalisation of MAp's management. This acquisition reached financial close on 21 January 2010 for total consideration of EUR46.6 million ($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.

Financial Report
for year ended 31 December 2009

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 12 to 33, 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

PRICEWATERHOUSECOOPERS

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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 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*.

PRICEWATERHOUSECOOPERS

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