



ASX Release

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MAp FIRST HALF & SECOND QUARTER 2011 SYDNEY AIRPORT RESULTS

MAp today announces Sydney Airport's results for the six months to 30 June 2011 (see below)¹, reporting EBITDA (earnings before interest, tax, depreciation and amortisation) of A\$381.8m (excluding specific expenses), which represents an increase of 4.0% over the previous corresponding period (pcp), relative to traffic growth of 1.9%.

A\$m	Q2 2011	Q2 2010	% Change	H1 2011	H1 2010	% Change
Revenue	233.7	224.0	+4.3%	472.4	452.6	+4.4%
Cost of Sales	(0.8)	(1.0)	nm	(1.6)	(1.2)	nm
Other Income	-	-	nm	-	0.0	nm
Operating Costs	(44.5)	(42.8)	+4.0%	(88.9)	(84.2)	+5.6%
EBITDA (before specific expenses)	188.3	180.2	+4.5%	381.8	367.2	+4.0%
Specific Expenses	(0.1)	-	nm	(0.3)	-	nm
EBITDA	188.2	180.2	+4.5%	381.5	367.2	+3.9%

MAp and Sydney Airport CEO, Ms Kerrie Mather said, "Sydney Airport delivered a solid result, with revenue and EBITDA growth exceeding passenger growth over the period. This is a pleasing outcome when taking into consideration the disruption to the aviation and travel sectors caused by the impact of natural disasters, including a volcanic ash cloud, during the first and second quarters.

¹ Results based on unaudited management accounts.

"In early July Sydney Airport announced it had secured AUD1,069 million of bank and bond financing, including a debut CAD225 million 7-year bond issue. The financing proceeds will be used to redeem SKIES in January 2012² and fund growth capital expenditure through to 2014.

"Sydney Airport's strong operational performance throughout the first half of the year was recognised by the Air Transport Research Society, which named it the most efficient airport in the Oceania region as part of the Global Airport Performance Benchmarking and Excellence Awards.

"Looking forward, a new strategy has been developed to re-position Sydney Airport's car park offering. A variety of promotional deals have been launched to attract both weekend travellers and those looking for affordable and convenient parking during an extended getaway, with up to 60% off regular parking rates. Sydney Airport will also continue to re-orient its focus by collaborating with airline partners on a range of initiatives and differentiated products to improve operational efficiency and unlock its significant growth potential.

"I am delighted to have commenced in my new role as Managing Director and Chief Executive Officer of Sydney Airport. I look forward to working with our valued airline partners to deliver the products and services they need to serve their passengers and ensure Sydney Airport continues to be Australia's premier gateway," Ms Mather added.

Revenue

Total revenue from all areas of the business rose 4.4% over the pcp to A\$472.4 million.

International passenger growth was mainly driven by Australian outbound and Chinese inbound demand. During the quarter, Qantas introduced its four times weekly service to Dallas/Fort Worth while China Eastern Airlines, Garuda Indonesia, Vietnam Airlines and Hawaiian Airlines added frequencies. Virgin Australia's alliance with Delta Air Lines was

² It is expected that, in accordance with the terms of issue of the SKIES detailed in the SKIES prospectus dated 22 November 2006, formal redemption notices for SKIES will be sent to holders in December 2011 prior to their January 2012 redemption date. Redemption of SKIES remains conditional on the fulfilment of a number of procedural and documentation steps associated with the bank debt commitments.

approved by the relevant authorities and it announced another international alliance with Singapore Airlines.

Domestic and regional traffic benefited from capacity additions by Jetstar, the commencement of wide-body A330-200 services to Perth by Virgin Australia, and the upgrade of six weekly services to Perth with B747-400 aircraft by Qantas.

Retail revenue continued to grow in the first half over pcp, while the upgrade of the airport's retail offer continues with the redevelopment of the International Terminal Arrivals area.

Ground transport and commercial services revenues were marginally higher than the pcp. The upgrade of the International Terminal taxi rank was completed during the quarter, providing additional capacity and an improved service for passengers. Sydney Airport continued to improve facilities for the limousine industry by increasing the capacity of the limousine pick-up area at the International Terminal from 36 to 62 vehicle spaces.

Property and car rental revenue was impacted by the previously disclosed non-recurring benefit in the pcp of A\$1.9 million related to successful commercial outcomes. Excluding the non-recurring item, revenue increased by 6.6% over the pcp. During the quarter, construction of the 9,000 square metres Central Terrace Building was completed, with three floors handed over to a major government agency for fitout.

Operating Expenses

Total operating expenses excluding recoverable security expenses and specific non-recurring expenses increased by 3.1% over the pcp to A\$57.7 million. Total operating expenses per passenger excluding recoverable security expenses and specific non-recurring expenses increased by 1.2% over the pcp to A\$3.32 per passenger.

Total operating expenses including specific non-recurring expenses increased by 6.0% over the pcp to A\$89.2 million.

Operating expenses in the half year included non-recurring staff expenses of A\$1.1 million. Adjusted for this item, operating expenses excluding recoverable security expenses and specific non-recurring expenses increased by 1.2% over the pcp. EBITDA before specific expenses, excluding recoverable security expenses and adjusted for non-recurring items, increased by 5.2% over the pcp.

Capital Expenditure

Total capital expenditure for the first half of 2011 was A\$69.6 million. The increase in capital expenditure compared to the pcp is primarily attributable to the construction of the Central Terrace Building and aviation related runway projects.

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SYDNEY AIRPORT FINANCIAL HIGHLIGHTS

Thousands	Q2 2011 SCACH Group 01-Apr-11 Quarter / Year to date - from: Quarter / Year to date - to:	Q2 2010 SCACH Group 01-Apr-10 30-Jun-10	% change	CY 2011 SCACH Group 01-Jan-11 30-Jun-11	CY 2010 SCACH Group 01-Jan-10 30-Jun-10	% change
Revenues						
Aeronautical	96,126	92,406	4.0%	196,214	187,515	4.6%
Aeronautical security recovery	19,294	18,245	5.8%	37,974	36,063	5.3%
Retail	53,648	51,187	4.8%	108,437	102,620	5.7%
Property and car rental	37,245	35,049	6.3%	75,026	72,294	3.8%
Ground transport and commercial services	26,028	25,878	0.6%	52,193	51,653	1.0%
Other	1,336	1,248	7.0%	2,560	2,478	3.3%
Total revenues	233,678	224,013	4.3%	472,402	452,623	4.4%
Cost of sales	826	1,043		1,645	1,240	
Other income						
Profit on sale / (loss on disposal) of non current assets	0	0		0	28	
Operating expenses						
Labour	9,940	10,288	-3.4%	21,089	19,992	5.5%
Services and utilities	25,416	23,952	6.1%	50,717	47,427	6.9%
Other operational costs	3,854	3,454	11.6%	7,040	7,231	-2.6%
Property and maintenance	5,306	5,105	4.0%	10,067	9,529	5.6%
Specific expenses:	113	0		309	0	
Total operating expenses before specific expenses	44,516	42,798	4.0%	88,913	84,179	5.6%
Total operating expenses	44,629	42,798	4.3%	89,222	84,179	6.0%
EBITDA before specific expenses	188,335	180,172	4.5%	381,844	367,232	4.0%
EBITDA	188,222	180,172	4.5%	381,535	367,232	3.9%
Capital expenditure	36,260	21,212	70.9%	69,625	52,022	33.8%
\$ per passenger measures						
Revenue	27.44	26.92	1.9%	27.17	26.52	2.4%
Operating expenses before specific expenses	5.23	5.14	1.6%	5.11	4.93	3.7%
Operating expenses	5.24	5.14	1.9%	5.13	4.93	4.0%
EBITDA before specific expenses	22.11	21.65	2.1%	21.96	21.52	2.0%
EBITDA	22.10	21.65	2.1%	21.94	21.52	2.0%
Capex	4.26	2.55	67.0%	4.00	3.05	31.3%