MAp

INTERIM FINANCIAL REPORT FOR HALF YEAR ENDED 30 JUNE 2011

MAp comprising MAp Airports Trust 1 and its controlled entities (including MAp Airports Trust 2 and MAp Airports International Limited)

MAp Airports Trust 2 and its controlled entities

Interim Financial Report
for half year ended 30 June 2011

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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for half year ended 30 June 2011

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Introduction to the Interim Financial Report

Overview of MAp

MAp currently holds investments in Sydney Airport, Brussels 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), a unit in MAp Airports Trust 2 (MAT2) and a share in MAp Airports International Limited (MAIL).

MAp's Airport Investments

MAp's total economic interest in each of the airports in which it has invested at 30 June 2011 is provided in the table below.

	Sydney Airport[1] %	Brussels Airport %	Copenhagen Airports %	Bristol Airport[2] %
MAp interest				
As at 30 June 2011	**74.0**	**39.0**	**30.8**	**1.0**
As at 31 December 2010	74.0	39.0	30.8	1.0

The following table outlines the fair values of each of MAp's investments at 30 June 2011. The fair value of Sydney Airport has been determined in accordance with a valuation framework adopted by the directors. Discounted cash flow analysis is the methodology applied in the valuation framework.

The fair values of Brussels Airport and Copenhagen Airports have been based upon the agreed Australian dollar sale price within the binding agreement with Ontario Teachers' Pension Plan Board (OTPP) signed on 19 July 2011.

	Sydney Airport[1] $m	Brussels Airport $m	Copenhagen Airports $m	Bristol Airport[2] $m
MAp economic interest				
As at 30 June 2011	**5,641.7**	**825.0**	**752.2**	**5.5**
As at 31 December 2010	5,405.6	1,014.0	924.6	5.3

[1] The financial position and results of Sydney Airport are consolidated into the MAp interim financial report. Accordingly the value of MAp's investment in Sydney Airport does not appear in the MAp interim financial report at 30 June 2011.
[2] Includes a zero premium put and call option over approximately 1% of Bristol Airport which is expected to be exercised at a later date.

Directors' Report
for half year ended 30 June 2011

Directors' Report

For the half year ended 30 June 2011, the directors of MAp Airports Limited (MAPL or the Responsible Entity) submit the following report on the consolidated interim financial statements of MAp. 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 together acting as MAp (or the Group).

For the half year ended 30 June 2011, the directors of the Responsible Entity also submit the following report on the consolidated interim financial statements of MAT2 being MAT2 and its controlled entities (the MAT2 Group).

Principal Activities

The principal activity of MAp and the MAT2 Group (together the Groups) is investment in airport assets. The Groups' investment policy is to invest funds in accordance with the provisions of the governing documents of the individual entities within the Groups.

There were no significant changes in the nature of the Groups' activities during the period.

Directors

The following persons were directors of the Responsible Entity from the period noted and up to the date of this report (unless otherwise noted):

Name	Role	Period of Directorship
Max Moore-Wilton	Chairman, Non-executive director	Since April 2006
Trevor Gerber	Non-executive director	Since April 2002
Michael Lee	Non-executive director	Since June 2003
Bob Morris	Non-executive director	Since September 2002
John Roberts	Non-executive director	Since October 2009
John Mullen	Non-executive director	Since 1 July 2010, resigned 21 February 2011
Stephen Ward	Non-executive director	Since 21 February 2011
Kerrie Mather	Executive director	Since 1 July 2010

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

Name	Role	Period of Directorship
Jeffrey Conyers	Chairman, Non-executive director	Since July 2003
Sharon Beesley	Non-executive director	Since February 2002
Stephen Ward	Non-executive director	Since July 2006
Max Moore-Wilton	Non-executive director	Since April 2006

Distributions

The interim distribution for MAp for the half year ended 30 June 2011 was 11.0 cents per stapled security (2010: 11.0 cents per stapled security). This distribution was paid by MAT1 on 18 August 2011.

No distribution was paid by the MAT2 Group for the half year ended 30 June 2011 (2010: nil).

Directors' Report
for half year ended 30 June 2011

Review and Results of Operations

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

	MAp 6 months to 30 Jun 2011 $'000	MAp 6 months to 30 Jun 2010 $'000	**MAT2 6 months to 30 Jun 2011 $'000**	MAT2 6 months to 30 Jun 2010 $'000
Revenue	**503,315**	480,934	**39,194**	33,781
Revaluation gains / (losses) from investments	**(345,011)**	(64,166)	**398,333**	607,987
Other income	**112**	25,409	**(133)**	37
Total revenue from continuing operations	**158,416**	442,177	**437,394**	641,805
Profit / (loss) from continuing operations after income tax (expense) / benefit	**(296,037)**	(5,834)	**218,033**	368,909
Profit / (loss) attributable to security holders	**(273,478)**	19,725	**94,111**	189,534
Basic earnings per stapled security / unit	**(14.7)c**	1.1c	**5.1c**	10.2c
Diluted earnings per stapled security / unit	**(14.7)c**	1.1c	**5.1c**	10.2c

Significant Changes in State of Affairs

MAp

Sale of interests in Brussels Airport and Copenhagen Airports, and acquisition of additional interest in Sydney Airport

On 22 June 2011 MAp advised that it had entered into exclusive negotiations following receipt of a non-binding, highly conditional Asset Swap Proposal from Ontario Teachers' Pension Plan Board (OTPP). The Proposal involved the potential sale of MAp's non-controlling interests in Brussels Airport and Copenhagen Airports in exchange for OTPP's 11.02% interest in Sydney Airport and a net cash payment of $850.0 million (fixed in EUR and based on an exchange rate of 0.7236, as at the date of receipt of the Proposal).

On 19 July 2011 MAp (through MAIL, as owner of MAp's interests in Brussels Airport and Copenhagen Airports) entered into a binding agreement with OTPP with respect to the Asset Swap Proposal. Under the conditions of that agreement, completion is expected to occur in the fourth quarter of 2011. As a consequence of adverse movements in the AUD/EUR exchange rate, and subject to completion adjustments, the net cash payment has been adjusted to $790.5 million.

MAT2 Group

There have been no significant changes in the state of affairs of the MAT2 Group.

Value of Assets

MAp	**2011 $'000**	2010 $'000
Book value of Group assets at 30 June	**13,813,019**	14,636,785

MAT2 Group	**2011 $'000**	2010 $'000
Book value of Group assets at 30 June	**6,710,033**	5,925,038

The book value of the Groups' assets is derived using the basis set out in Note 1 to the consolidated interim financial statements.

Directors' Report
for half year ended 30 June 2011

Events Occurring after Balance Sheet Date

An interim distribution of 11.0 cents (2010: 11.0 cents) per stapled security was paid by MAT1 on 18 August 2011.

On 4 July 2011 Sydney Airport completed a successful $1,069.0 million bank and bond financing. These commitments provide Sydney Airport the ability to redeem Sydney Kingsford Smith Interest Earning Securities (SKIES) and fund capital expenditure through to 2014. Redemption of SKIES remains conditional on the fulfilment of a number of procedural and documentation steps associated with the bank debt commitments.

On 12 July 2011 Copenhagen Airports Denmark (a wholly owned subsidiary of Copenhagen Airports Denmark Holdings, the ultimate Danish parent company of the Copenhagen Airports Group) successfully raised DKK5.3 billion of new debt facilities. The proceeds will primarily be used to refinance the existing bank debt facility due to mature in December 2012, and to pay hedge break costs and refinancing fees. The newly established facilities were provided by a combination of existing and new banks and are evenly split between five year and seven year maturities.

As noted within the Significant Changes in State of Affairs, on 19 July 2011 MAIL entered into a binding agreement with OTPP in which MAIL will exchange its interests in Brussels Airport and Copenhagen Airports for OTPP's 11.02% interest in Sydney Airport and a net cash payment of $790.5 million. The net cash payment comprises a fixed Australian dollar cash consideration of $772.0 million and additional completion adjustments in relation to the settlement mechanics of the transaction estimated at $18.5 million as at 19 July 2011. These adjustments would lead to a revaluation increment to MAIL's investment in Brussels Airport and Copenhagen Airports at completion.

Under the binding agreement, MAIL has provided a comprehensive set of representations and warranties in respect of Copenhagen Airports and Brussels Airport, which are more commensurate with those normally provided by an owner / operator than a minority investor.

Completion of the asset swap is subject to:

- All regulatory approvals being obtained and not withdrawn, including European Commission Merger Regulation;
- No breach or potential breach of a material contract; and
- The conduct of pre-emptive rights processes for other Sydney Airport investors.

Other key terms include indemnities from MAIL to OTPP for OTPP's share of the challenged withholding tax liabilities, should they ever materialise, arising from the Danish Tax Office's current assessments to Copenhagen Airports Denmark Holdings. There are also indemnities for certain pre-existing disputes or litigation at Brussels Airport and other contingent liabilities.

The asset swap terminates if the conditions precedent are not satisfied or waived. In addition, there are customary termination rights for material breach and material adverse events, in each case exercisable where they result in a diminution in the value of Sydney, Brussels or Copenhagen airports exceeding 15%.

The Australian Government announced the "Securing a Clean Energy Future – the Australian Government's Climate Change Plan" on 10 July 2011. Whilst the announcement provides details of the framework for a carbon pricing mechanism (to be implemented from 1 July 2012), uncertainties continue to exist on the impact of any carbon pricing mechanism on the Groups as legislation has yet to be drafted, and must be voted on and passed by both houses of Parliament.

The current proposals will impose a carbon price on domestic air travel which contributes a proportionately smaller amount to revenue than international air travel which is not captured. Based on the details currently available and statements made by airlines operating in Australia regarding the likely impact on domestic airfares, the directors do not believe that the introduction of a carbon pricing mechanism will significantly impact the assumptions used for the purpose of the calculations used in asset impairment testing.

Since the end of the half year, the directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in the interim 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 periods subsequent to the half year ended 30 June 2011.

Directors' Report
for half year ended 30 June 2011

Directors' Holdings of Stapled Securities

The aggregate number of stapled securities in MAp and units in MAT2 held directly, indirectly or beneficially by the directors of the Responsible Entity or their director-related entities at the date of this interim financial report is 4,552,768 (31 December 2010: 4,552,768).

Lead Auditor's Independence Declaration

A copy of the lead auditors' independence declaration, as required under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of the directors' report for the half year ended 30 June 2011.

Rounding of Amounts in the Directors' Report and the Consolidated Interim Financial Statements

The Groups are of a kind referred to in Australian Securities & Investments Commission (ASIC) Class Order 98/100 dated 10 July 1998, and in accordance with that Class Order all financial information presented in Australian dollars has been rounded to the nearest thousand dollars unless otherwise stated.

Application of Class Order

The interim financial reports for MAp and the MAT2 Group are jointly presented in the one report as permitted by ASIC Class Order 06/441.

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

Max Moore-Wilton

Sydney
24 August 2011

Trevor Gerber

Sydney
24 August 2011

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of MAp Airports Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half year ended 30 June 2011 there have been:

a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and

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

This declaration is in respect of MAp, which comprises MAp Airports Trust 1 and the entities it controlled during the half year, which are deemed to include MAp Airports Trust 2 and the entities it controlled during the half year and MAp Airports International Limited and the entities it controlled during the half year.

KPMG

KPMG

Andrew Yates
Partner

Sydney
24 August 2011

Interim Financial Report
for half year ended 30 June 2011

Consolidated Statements of Comprehensive Income

	Note	**MAp 6 months to 30 Jun 11 $'000**	MAp 6 months to 30 Jun 10 $'000	**MAT2 6 months to 30 Jun 11 $'000**	MAT2 6 months to 30 Jun 10 $'000
Continuing operations					
Revenue	2	**503,315**	480,934	**39,194**	33,781
Revaluation gains / (losses) from investments	2	**(345,011)**	(64,166)	**398,333**	607,987
Other income	2	**112**	25,409	**(133)**	37
Revenue from continuing operations		**158,416**	442,177	**437,394**	641,805
Finance costs	2	**236,432**	221,360	**144,309**	133,136
Other expenses	2	**260,755**	266,643	**10,863**	7,784
Operating expenses from continuing operations		**497,187**	488,003	**155,172**	140,920
Profit / (loss) from continuing operations before income tax (expense) / benefit		**(338,771)**	(45,826)	**282,222**	500,885
Income tax (expense) / benefit	6	**42,734**	39,992	**(64,189)**	(131,976)
Profit / (loss) from continuing operations after income tax (expense) / benefit		**(296,037)**	(5,834)	**218,033**	368,909
Other comprehensive income					
Exchange differences on translation of foreign operations		**438**	(40,241)	**-**	-
Cash flow hedges – interest rate swaps		**(28,214)**	(50,938)	**-**	-
Cash flow hedges – deferred tax arising on hedges		**8,464**	15,282	**-**	-
Other comprehensive income for the half year, net of tax		**(19,312)**	(75,897)	**-**	-
Total comprehensive income for the half year		**(315,349)**	(81,731)	**218,033**	368,909
Profit / (loss) attributable to:					
Security holders		**(273,478)**	19,725	**94,111**	189,534
Minority interest		**(22,559)**	(25,559)	**123,922**	179,375
		(296,037)	(5,834)	**218,033**	368,909
Total comprehensive income attributable to:					
Security holders		**(287,647)**	(46,988)	**94,111**	189,534
Minority interest		**(27,702)**	(34,743)	**123,922**	179,375
		(315,349)	(81,731)	**218,033**	368,909
Earnings per stapled security from continuing operations attributable to security holders					
Basic earnings per stapled security / unit[3]		**(14.7)c**	1.1c	**5.1c**	10.2c
Diluted earnings per stapled security / unit[3]		**(14.7)c**	1.1c	**5.1c**	10.2c

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

3 Earnings used in the calculation of earnings per stapled security includes revaluation gains / (losses) from airport investments, as well as income and expenses from revaluation of other financial instruments. Consequently earnings per stapled security reflect the impact of unrealised revaluation increments and decrements.

Interim Financial Report
as at 30 June 2011

Consolidated Balance Sheets

	Note	**MAp 30 Jun 11 $'000**	MAp 31 Dec 10 $'000 (restated)	**MAT2 30 Jun 11 $'000**	MAT2 31 Dec 10 $'000
Current assets					
Cash and cash equivalents		**965,098**	1,248,410	**22,252**	32,156
Other financial assets		**219,275**	-	**7,528**	-
Receivables		**497,345**	498,097	**33,165**	5,487
Derivative financial instruments		**195**	2,076	**-**	-
Other assets		**4,247**	4,025	**103**	217
Total current assets		**1,686,160**	1,752,608	**63,048**	37,860
Non-current assets					
Receivables		**43,212**	44,396	**832,300**	832,300
Investments in financial assets	4	**1,582,634**	1,943,829	**5,813,791**	5,571,394
Property, plant and equipment		**2,479,631**	2,508,515	**728**	820
Intangible assets		**8,005,456**	8,057,147	**-**	-
Derivative financial instruments		**-**	3,355	**-**	-
Other assets		**15,926**	15,785	**166**	165
Total non-current assets		**12,126,859**	12,573,027	**6,646,985**	6,404,679
Total assets		**13,813,019**	14,325,635	**6,710,033**	6,442,539
Current liabilities					
Distribution payable		**204,754**	186,143	**-**	-
Payables		**546,968**	552,710	**116,646**	70,777
Deferred income		**23,215**	26,113	**-**	-
Derivative financial instruments		**61,004**	58,621	**-**	-
Provisions		**7,643**	6,527	**-**	-
Current tax liabilities		**59**	232	**-**	-
Total current liabilities		**843,643**	830,346	**116,646**	70,777
Non-current liabilities					
Payables		**3,587**	4,552	**-**	-
Interest bearing liabilities	5	**6,185,004**	6,181,469	**1,837,481**	1,838,412
Derivative financial instruments		**101,960**	29,417	**-**	-
Provisions		**1,534**	1,449	**281**	239
Deferred tax liabilities		**1,833,688**	1,884,831	**773,126**	708,932
Total non-current liabilities		**8,125,773**	8,101,718	**2,610,888**	2,547,583
Total liabilities		**8,969,416**	8,932,064	**2,727,534**	2,618,360
Net assets		**4,843,603**	5,393,571	**3,982,499**	3,824,179
Equity					
Security holders' interests					
Contributed equity	7	**3,948,490**	3,948,493	**291,437**	291,440
Retained earnings	8	**863,288**	1,341,499[4]	**1,941,640**	1,847,529
Reserves	9	**(369,771)**	(355,602)[4]	**(99,808)**	(99,808)
Total security holders' interests		**4,442,007**	4,934,390	**2,133,269**	2,039,161
Minority interest in controlled entities		**401,596**	459,181	**1,849,230**	1,785,018
Total equity		**4,843,603**	5,393,571	**3,982,499**	3,824,179

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

[4] The Group has restated the opening 1 January 2010 balances of retained earnings and foreign currency translation reserve in order to retrospectively apply AASB 121: *The Effects of Changes in Foreign Exchange Rates* whereby amounts previously recognised in the foreign currency translation reserve are required to be reclassified to profit or loss on disposal of a foreign operation. The reclassification between these lines was $59,791,480. There has been no change in total security holders' interests. Refer to Note 11 for further information.

Interim Financial Report
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Consolidated Statements of Changes in Equity

MAp	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 2011		**3,948,493**	**(355,602)**	**1,341,499**	**4,934,390**	**459,181**	**5,393,571**
Loss attributable to security holders		**-**	**-**	**(273,478)**	**(273,478)**	**(22,559)**	**(296,037)**
Exchange differences on translation of foreign operations		**-**	**438**	**-**	**438**	**-**	**438**
Cash flow hedges, net of tax		**-**	**(14,607)**	**-**	**(14,607)**	**(5,143)**	**(19,750)**
Total comprehensive income		**-**	**(14,169)**	**(273,478)**	**(287,647)**	**(27,702)**	**(315,349)**
Transactions with equity holders in their capacity as equity holders:							
Transaction costs paid in relation to contributions of equity (net of tax effect)		**(3)**	**-**	**-**	**(3)**	**-**	**(3)**
Distributions provided for or paid	3	**-**	**-**	**(204,733)**	**(204,733)**	**(29,883)**	**(234,616)**
Total equity at 30 June 2011		**3,948,490**	**(369,771)**	**863,288**	**4,442,007**	**401,596**	**4,843,603**
Total equity at 1 January 2010 – as previously reported		3,948,660	(269,459)	1,804,389	5,483,590	560,933	6,044,523
Adjustment related to previous years (refer to Note 11)		-	(59,791)	59,791	-	-	-
Total equity at 1 January 2010 - restated		3,948,660	(329,250)	1,864,180	5,483,590	560,933	6,044,523
Profit / (loss) attributable to security holders		-	-	19,725	19,725	(25,559)	(5,834)
Exchange differences on translation of foreign operations		-	(40,241)	-	(40,241)	-	(40,241)
Cash flow hedges, net of tax		-	(26,472)	-	(26,472)	(9,184)	(35,656)
Total comprehensive income		-	(66,713)	19,725	(46,988)	(34,743)	(81,731)
Transactions with equity holders in their capacity as equity holders:							
Transaction costs paid in relation to contributions of equity (net of tax effect)		(36)	-	-	(36)	-	(36)
Decreased interest in subsidiaries obtained during the period[5]		-	23,779	-	23,779	-	23,779
Distributions provided for or paid	3	-	-	(204,733)	(204,733)	(25,493)	(230,226)
Total equity at 30 June 2010 - restated		3,948,624	(372,184)	1,679,172	5,255,612	500,697	5,756,309

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

[5] Relates to prior year entry previously booked against Other Reserves, now reclassified to SCACH Redeemable Preference Shares within Interest Bearing Liabilities.

Interim Financial Report
for half year ended 30 June 2011

Consolidated Statements of Changes in Equity (continued)

MAT2 Group		**Attributable to MAT2 Group Security Holders**					
	Note	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Total $'000	Minority interest $'000	Total equity $'000
Total equity at 1 January 2011		**291,440**	**(99,808)**	**1,847,529**	**2,039,161**	**1,785,018**	**3,824,179**
Profit attributable to security holders		**-**	**-**	**94,111**	**94,111**	**123,922**	**218,033**
Total comprehensive income		**-**	**-**	**94,111**	**94,111**	**123,922**	**218,033**
Transactions with equity holders in their capacity as equity holders:							
Transaction costs paid in relation to contributions to equity (net of tax effect)		**(3)**	**-**	**-**	**(3)**	**-**	**(3)**
Distributions provided for or paid	3	**-**	**-**	**-**	**-**	**(59,710)**	**(59,710)**
Total equity at 30 June 2011		**291,437**	**(99,808)**	**1,941,640**	**2,133,269**	**1,849,230**	**3,982,499**
Total equity at 1 January 2010		291,500	(99,808)	1,442,748	1,634,440	1,501,340	3,135,780
Profit attributable to security holders		-	-	189,534	189,534	179,375	368,909
Total comprehensive income		-	-	189,534	189,534	179,375	368,909
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)
Distributions provided for or paid	3	-	-	-	-	(58,383)	(58,383)
Total equity at 30 June 2010		291,487	(99,808)	1,632,282	1,823,961	1,622,332	3,446,293

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

Consolidated Statements of Cash Flows

	MAp 6 months to 30 Jun 11 $'000	MAp 6 months to 30 Jun 10 $'000	**MAT2 6 months to 30 Jun 11 $'000**	MAT2 6 months to 30 Jun 10 $'000
Cash flows from operating activities				
Dividend received on SCACH[6] ordinary shares	**-**	-	**50,892**	33,129
Dividend received on SCACH redeemable preference shares	**-**	-	**105,043**	119,860
Investment income received on convertible loans – Brussels Airport	**9,995**	10,186	**-**	-
Other interest received	**30,862**	27,115	**2,744**	3,100
Distribution and dividend income received - Copenhagen Airports	**6,591**	2,520	**-**	-
Other distribution and dividend income received	**-**	6,530	**-**	-
Airport revenue received (inclusive of goods and services tax)	**528,400**	518,226	**-**	-
Operating expenses paid (inclusive of goods and services tax)	**(163,574)**	(151,764)	**(7,194)**	(5,455)
Resource fees paid to MAp Airports (UK) Limited	**-**	-	**(1,084)**	(1,166)
Income taxes paid	**(128)**	(1,065)	**-**	(244)
Indirect taxes received / (paid)	**(4,667)**	14,247	**(303)**	14,622
Other income received	**1,937**	-	**7,454**	6,400
Net cash flows from operating activities	**409,416**	425,995	**157,552**	170,246
Cash flows from investing activities				
Payments for purchase of subsidiaries, net of cash acquired	**-**	(215,453)	**-**	-
Transaction costs paid	**(1,710)**	(1,785)	**(648)**	-
Payments for purchase of investments	**(402)**	-	**-**	-
Payments for purchase of short term financial assets	**(219,275)**	(80,500)	**(7,528)**	-
Payments for purchase of fixed assets	**(82,742)**	(70,754)	**(12)**	(858)
Proceeds from disposal of fixed assets	**-**	28	**-**	-
Rental deposit paid	**-**	(182)	**-**	(182)
Net cash flows from investing activities	**(304,129)**	(368,646)	**(8,188)**	(1,040)
Cash flows from financing activities				
Borrowing costs paid	**(168,139)**	(178,089)	**(99,560)**	(102,000)
Repayment of borrowings	**(298,000)**	-	**-**	-
Proceeds received from borrowings	**351,391**	-	**-**	-
Net payments for settlement of derivatives	**(34,800)**	-	**-**	-
Distributions paid to MAp security holders	**(186,121)**	(148,897)	**-**	-
Distributions, dividends and returns of capital paid to minority interest	**(53,414)**	(52,353)	**(59,708)**	(58,413)
Net cash flows from financing activities	**(389,083)**	(379,339)	**(159,268)**	(160,413)
Net increase / (decrease) in cash and cash equivalents held	**(283,796)**	(321,990)	**(9,904)**	8,793
Cash and cash equivalents at the beginning of the period	**1,248,410**	1,459,641	**32,156**	60,283
Exchange rate movements on cash denominated in foreign currency	**484**	11,656	**-**	-
Cash and cash equivalents at the end of the period	**965,098**	1,149,307	**22,252**	69,076

6 Southern Cross Airports Corporation Holding Limited.

Interim Financial Report
for half year ended 30 June 2011

Notes to the Consolidated Interim Financial Statements

1. Summary of Significant Accounting Policies

This general purpose financial report for the interim reporting period ended 30 June 2011, has been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

These consolidated interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual reports of MAp and MAT2 for the year ended 31 December 2010 and any public announcements made by MAp during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

1.1. Basis of preparation

The accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those of the previous financial year and corresponding half year unless otherwise stated. The principal accounting policies adopted in the preparation of the consolidated interim financial statements are set out below.

As permitted by ASIC Class order 06/441, this interim financial report consists of the consolidated interim financial statements of MAp Airports Trust 1 (MAT1) and its controlled entities (collectively referred to as MAp or the Group), and the consolidated interim financial statements of MAp Airports Trust 2 (MAT2) and its controlled entities (collectively referred to as the MAT2 Group).

This interim financial report was authorised for issue by the directors of MAp Airports Limited (the Responsible Entity) on 24 August 2011. The Responsible Entity has the power to amend and reissue the interim financial report.

1.1.1. Compliance with IFRS

Compliance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* ensures that the consolidated interim financial statements comply with IAS 34: *Interim Financial Reporting* as issued by the International Accounting Standards Board (“IASB”). Consequently, this interim financial report has also been prepared in accordance with and complies with IAS 34: *Interim Financial Reporting* as issued by the IASB.

1.1.2. Functional and presentation currency

These consolidated interim financial statements are presented in Australian dollars, which is the functional currency of the Groups. Items included in the consolidated interim financial statements of each of the Groups’ entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The Groups are of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order all financial information presented in Australian dollars has been rounded to the nearest thousand dollars unless otherwise stated.

1.1.3. Historical cost convention

The consolidated interim 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.

1.1.4. Stapled security

The units of MAT1 and MAT2 and the shares of MAp Airports International Limited (MAIL) are combined, issued and traded as stapled securities in MAp. The units of MAT1 and MAT2 and the shares of MAIL cannot be traded separately. These consolidated interim financial statements consist of the consolidated interim 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 and the consolidated interim financial statements of MAT2 which comprises MAT2 and its controlled entities.

1. Summary of Significant Accounting Policies (continued)

1.1. Basis of preparation (continued)

1.1.5. MAT2 net current liabilities position

MAT2 is in a net current liabilities position of $53.6 million (31 December 2010: $32.9 million). This is due to the recognition of interest payable on Redeemable Preference Shares (RPS) issued to MAT1, the deemed parent entity of MAp for accounting purposes. Under the terms of the RPS, MAT2 may defer payment of interest on the RPS at no cost to it other than that interest will accrue at a contractual rate of 15.0% per annum on the unpaid amount.

1.2. Consolidated financial statements

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 statements. In accordance with this requirement MAT1 has been identified as the parent of the MAp consolidated group comprising MAT1 and its controlled entities, MAT2 and its controlled entities and MAIL and its controlled entities.

The consolidated interim financial statements of MAp should be read in conjunction with the separate consolidated interim financial statements of the MAT2 Group, presented in this report, and the separate consolidated interim financial statements of MAIL for the half year ended 30 June 2011.

1.3. Principles of consolidation

The consolidated interim financial statements of MAp incorporate the assets and liabilities of the entities controlled by MAT1 at 30 June 2011 and during the period, 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 half year then ended. The consolidated interim financial statements of the MAT2 Group incorporate the assets and liabilities of the entities controlled by MAT2 at 30 June 2011 and during the half year then ended. The effects of all transactions between entities in the each of the consolidated entities are eliminated in full. Minority interests in the results and equity are shown separately in the Consolidated Statement of Comprehensive Income and the Consolidated Balance Sheet respectively. Minority interests are those interests in partly owned subsidiaries which are not held directly or indirectly by MAT1, MAT2 or MAIL.

Total comprehensive income, including profit or loss and other comprehensive income components, is attributed to the owners of the parent and to the minority interests even if this results in the minority interests having a deficit balance.

Where control of an entity is obtained during a financial period, its results are included in the Consolidated Statements of Comprehensive Income from the date on which control commences. Upon the loss of control, the relevant Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

1.4. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short term, highly liquid investments that are held for the purpose of meeting short term cash commitments. These are considered to be readily convertible to known amounts of cash and subject to an insignificant risk of changes in value and have a remaining term to maturity of three months or less. The current maturity profile of cash and cash equivalents is as follows:

	MAp 30 Jun 11 $'000	MAp 31 Dec 10 $'000	**MAT2 30 Jun 11 $'000**	MAT2 31 Dec 10 $'000
Deposits				
Original term to maturity of less than three months	**117,077**	415,969	**-**	4,110
Original term to maturity of three to six months	**637,176**	639,608	**14,547**	23,400
Original term to maturity of greater than six months	**64,000**	-	**-**	-
Total deposits	**818,253**	1,055,577	**14,547**	27,510
Cash on hand	**146,845**	192,833	**7,705**	4,646
Total cash and cash equivalents	**965,098**	1,248,410	**22,252**	32,156

Deposits with a remaining term to maturity of greater than three months are classified separately as other financial assets.

1.5. Other financial assets

Other financial assets include deposits with a remaining term to maturity of greater than three months.

1.6. Foreign currency translation

1.6.1. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of each transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in other income in the Consolidated Statements of Comprehensive Income.

1.6.2. Group entities

The results and financial position of the Groups' entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Balance Sheet presented are translated at the relevant exchange rates at the date of that Balance Sheet;
- income and expenses for each Statement of Comprehensive Income are translated at exchange rates prevailing at the dates of each transaction; and
- all resulting exchange differences are recognised as a separate component of equity within other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to security holders' equity. On disposal of a foreign operation, the cumulative exchange differences are recognised in profit or loss in the Consolidated Statements of Comprehensive Income as part of the gain or loss on sale. On partial disposal of a foreign operation the proportionate share of the cumulative exchange differences recognised in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the date of that Consolidated Balance Sheet.

1. Summary of Significant Accounting Policies (continued)

1.7. Segment reporting

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of both MAT1 (representing the consolidated MAp Group) and MAT2 for accounting purposes has been identified as the Board of MAp Airports Limited, including the CEO.

For the half year ended 30 June 2011 the segments are based on the core assets of MAp's investment portfolio being Sydney Airport, Brussels Airport and Copenhagen Airports and the primary asset of the MAT2 Group being Sydney Airport.

1.8. Comparative figures

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

1.9. Group formation

MAT1 and MAT2 were established in Australia on 13 July 2001 and 13 February 2002 respectively. MAIL was incorporated in Bermuda on 4 February 2002. The Responsible Entity of each of the Trusts, MAIL and MAIL’s Adviser are parties to the Stapling Deed dated 28 March 2002.

2. Profit / (Loss) for the Half Year

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

	Note	**MAp 6 months to 30 Jun 11 $'000**	MAp 6 months to 30 Jun 10 $'000	**MAT2 6 months to 30 Jun 11 $'000**	MAT2 6 months to 30 Jun 10 $'000
Revenue from continuing operations					
Revenue					
Aeronautical revenue		**234,187**	223,578	**-**	-
Retail revenue		**108,437**	102,620	**-**	-
Property revenue		**65,158**	63,021	**-**	-
Revenue from rendering of services		**57,282**	56,335	**-**	-
Interest income from other persons and corporations		**30,066**	26,945	**2,657**	3,087
Interest income from related parties		**-**	-	**26,376**	22,858
Fee income		**847**	1,317	**10,161**	7,836
Other		**7,338**	7,118	**-**	-
Total revenue		**503,315**	480,934	**39,194**	33,781
Revaluation gains / (losses) from investments					
Revaluation of Sydney Airport		**-**	-	**398,328**	607,989
Revaluation of Brussels Airport	4	**(178,979)**	(35,098)	**-**	-
Revaluation of Copenhagen Airports	4	**(166,218)**	(21,197)	**-**	-
Revaluation of ASUR		**-**	(6,735)	**-**	-
Revaluation of other investments	4	**186**	(1,136)	**5**	(2)
Total revaluation gains / (losses) from investments		**(345,011)**	(64,166)	**398,333**	607,987
Other income					
Foreign exchange gains / (losses)		**(5,855)**	28,091	**(133)**	37
Foreign exchange gains on recycling of foreign currency translation reserve		**6,560**	-	**-**	-
Fair value movement on derivative contracts		**(593)**	(2,684)	**-**	-
Other		**-**	2	**-**	-
Total other income		**112**	25,409	**(133)**	37
Total revenue from continuing operations		**158,416**	442,177	**437,394**	641,805

2. Profit / (Loss) for the Half Year (continued)

	MAp 6 months to 30 Jun 11 $'000	MAp 6 months to 30 Jun 10 $'000	**MAT2 6 months to 30 Jun 11 $'000**	MAT2 6 months to 30 Jun 10 $'000
Operating expenses from continuing operations				
Finance costs				
Interest expense – Sydney Airport	**236,432**	220,936	**-**	-
Interest expense – related parties – RPS	**-**	-	**141,811**	131,041
Interest expense – related parties – other	**-**	-	**2,498**	2,095
Interest expense – other	**-**	424	**-**	-
Total finance costs	**236,432**	221,360	**144,309**	133,136
Other expenses				
Amortisation and depreciation	**152,502**	166,735	**98**	23
Operating and maintenance	**52,927**	49,452	**-**	-
Staff costs	**28,547**	24,662	**4,705**	3,113
Investment transaction expenses	**5,334**	2,452	**1,587**	192
Energy and utilities	**4,694**	7,171	**4**	-
Premises costs	**2,991**	2,985	**76**	22
Technology	**1,995**	1,536	**115**	78
Directors' fees	**696**	1,039	**574**	640
Legal fees	**315**	696	**105**	63
Registry fees	**295**	349	**104**	115
Custodians' fees	**235**	313	**77**	121
Auditors' remuneration	**337**	395	**59**	50
Investor communication expenses	**55**	113	**40**	87
Responsible Entity's and Adviser's fees – MAp entities	**-**	-	**2,686**	2,510
Other expenses	**9,832**	8,745	**633**	770
Total other expenses	**260,755**	266,643	**10,863**	7,784
Total operating expenses from continuing operations	**497,187**	488,003	**155,172**	140,920

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3. Distributions Paid and Proposed

	MAp 6 months to 30 Jun 11 $'000	MAp 6 months to 30 Jun 10 $'000	MAT2 6 months to 30 Jun 11 $'000	MAT2 6 months to 30 Jun 10 $'000
The distributions were paid / payable as follows:				
— Final distribution proposed and subsequently paid for the year ended 31 December (100% unfranked)	**186,121**	148,897	**-**	-
— Interim distribution proposed for the half year ended 30 June (100% unfranked)	**204,733**	204,733	**-**	-
	390,854	353,630	**-**	-
	Cents per stapled security	Cents per stapled security	**Cents per unit**	Cents per unit
— Final distribution proposed and subsequently paid for the year ended 31 December (100% unfranked)	**10.0**	8.0	**-**	-
— Interim distribution proposed for the half year ended 30 June (100% unfranked)	**11.0**	11.0	**-**	-
	21.0	19.0	**-**	-

This note only discloses distributions paid to MAp security holders.

4. Investments in Financial Assets

	Brussels Airport $'000	Copenhagen Airports[7] $'000	Bristol Airport $'000	Total $'000
Balance at 1 January 2011	**1,013,963**	**924,580**	**5,286**	**1,943,829**
Acquisitions	**-**	**402**	**-**	**402**
Income received from investments	**(9,995)**	**(6,591)**	**-**	**(16,586)**
Revaluation decrement	**(214,593)**	**(198,547)**	**-**	**(413,140)**
Revaluation increments attributable to foreign exchange movements	**35,614**	**28,271**	**186**	**64,071**
Revaluation decrements attributable to foreign exchange movements recognised directly in equity	**-**	**4,058**	**-**	**4,058**
Balance at 30 June 2011	**824,989**	**752,173**	**5,472**	**1,582,634**

At 30 June 2011, the value of MAp's investments in non-controlled airport assets is $1,582.6 million (31 December 2010: $1,943.8 million). Interests in unlisted companies and trusts are brought to account at fair value, determined in accordance with a valuation framework adopted by the directors. The fair values of Brussels Airport and Copenhagen Airports have been based upon the agreed Australian dollar sale price within the binding agreement with Ontario Teachers' Pension Plan Board (OTPP) signed on 19 July 2011.

Furthermore, there will be additional completion adjustments in relation to the settlement mechanics of the transaction. As at 19 July 2011, these adjustments would lead to a revaluation increment to MAp's investment in Brussels Airport and Copenhagen Airports at completion, of approximately $18.5 million.

At 30 June 2011, the value of MAT2's investment in Sydney Airport is $5,813.4 million (31 December 2010: $5,571.0 million). During the period MAT2 received $155.9 million of income from its investment in Sydney Airport and made a revaluation increment of $398.3 million.

[7] Copenhagen Airports represents MAp's investment in Copenhagen Airports S.a r.l, the holding entity through which the Copenhagen Airports investment was held as well as a direct investment into Copenhagen Airports. Effective 12 July 2011, and pursuant to the Copenhagen Airports Denmark Holdings ApS refinancing, MAp's investment in Copenhagen Airports is now held through Kastrup Airports Parent ApS.

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5. Interest Bearing Liabilities

	MAp 30 Jun 11 $'000	MAp 31 Dec 10 $'000	**MAT2 30 Jun 11 $'000**	MAT2 31 Dec 10 $'000
Non-current				
Redeemable preference shares issued by MASH	**-**	-	**862,048**	861,994
Redeemable preference shares issued by MASKS2	**-**	-	**837,529**	838,588
Redeemable preference shares issued by MASKS3	**-**	-	**59,358**	59,284
Loans from MAT1	**-**	-	**78,546**	78,546
Sydney Airport				
—Bank facilities	**258,970**	534,708	**-**	-
—Capital Index Bonds	**931,341**	917,238	**-**	-
—Medium Term Notes	**3,991,724**	3,726,392	**-**	-
—SCACH Redeemable Preference Shares	**342,691**	341,623	**-**	-
—SKIES	**660,278**	661,508	**-**	-
	6,185,004	6,181,469	**1,837,481**	1,838,412

6. Income Tax (Expense) / Benefit

The MAp consolidated effective tax rate in respect of continuing operations for the half year ended 30 June 2011 was 12.6% (for the half year ended 30 June 2010: 87.3%). The MAp consolidated effective tax rate is driven by numerous factors including the tax profile of the entities within MAp and also differences in tax and accounting treatment of items of income and expenses.

MAIL is a foreign entity and is not subject to Australian tax. The MAT2 Group and Sydney Airport, consolidated into MAp for accounting purposes, are subject to Australian tax. MAT1 is recognised as a "flow through" trust for Australian tax purposes, and accordingly income derived in MAT1 does not result in the recognition of current or deferred tax liabilities for Australian tax.

A significant component of MAp's loss before tax related to revaluations of foreign investments within MAIL, which do not result in current or deferred tax liabilities, as no Australian or foreign tax is expected to be paid in the event of a future sale. MAp's income tax benefit was primarily driven by its interests in Sydney Airport.

The MAT2 consolidated effective tax rate in respect of continuing operations for the half year ended 30 June 2011 was 22.7% (for the half year ended 30 June 2010: 26.4%). A significant component of the MAT2 profit before tax relates to revaluations of investments, which in turn leads to deferred tax expense, as a deferred tax liability is recognised for potential Australian Capital Gains Tax in the event of a future sale.

7. Contributed Equity

	MAp 6 months to 30 Jun 11 $'000	MAp 6 months to 30 Jun 10 $'000	**MAT2 6 months to 30 Jun 11 $'000**	MAT2 6 months to 30 Jun 10 $'000
Opening balance at 1 January	**3,948,493**	3,948,660	**291,440**	291,500
Transaction costs paid in relation to contributions to equity (net of tax)	**(3)**	(36)	**(3)**	(13)
Closing balance at 30 June	**3,948,490**	3,948,624	**291,437**	291,487

	MAp Number of stapled securities / units '000	MAp Number of stapled securities / units '000	**MAT2 Number of units '000**	MAT2 Number of units '000
On issue at the beginning of the period	**1,861,211**	1,861,211	**1,861,211**	1,861,211
On issue at the end of the period	**1,861,211**	1,861,211	**1,861,211**	1,861,211

8. Retained Earnings

	MAp 6 months to 30 Jun 11 $'000	MAp 6 months to 30 Jun 10 $'000	**MAT2 6 months to 30 Jun 11 $'000**	MAT2 6 months to 30 Jun 10 $'000
Opening balance at 1 January	**1,341,499**	1,804,389	**1,847,529**	1,442,748
Adjustment related to previous years (refer to Note 11)	**-**	59,791	**-**	-
Opening balance at 1 January – MAp prior period restated	**1,341,499**	1,864,180	**1,847,529**	1,442,748
Profit / (loss) attributable to MAp shareholders	**(273,478)**	19,725	**94,111**	189,534
Distributions provided for or paid	**(204,733)**	(204,733)	**-**	-
Closing balance at 30 June – MAp prior period restated	**863,288**	1,679,172	**1,941,640**	1,632,282

9. Reserves

	MAp 30 Jun 11 $'000	MAp 31 Dec 10 $'000	**MAT2 30 Jun 11 $'000**	MAT2 31 Dec 10 $'000
Balance of reserves				
Capital reserve	**(713,165)**	(713,165)	**-**	-
Hedging reserve – cash flow hedges	**(46,202)**	(31,595)	**-**	-
Other reserve	**411,828**	411,828	**(99,808)**	(99,808)
Foreign currency translation reserve – as previously reported for 31 December 2010	**-**	37,121	**-**	-
Adjustment related to previous years (refer to Note 11)	**-**	(59,791)	**-**	-
Foreign currency translation reserve	**(22,232)**	(22,670)	**-**	**-**
	(369,771)	(355,602)	**(99,808)**	(99,808)

10. 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, including the CEO.

The Board considers the business from the aspect of each of the core portfolio airports and has identified three operating segments for which it receives regular reports. The segments are the investments in Sydney Airport, Brussels Airport and Copenhagen Airports.

For 2010 MAp's airport business also included investments in ASUR (up to 16 August 2010). However, given the relative value of this investment, and also the fact that the chief operating decision maker did not receive regular reports on this investment, it did not meet the definition of operating segments under AASB 8: *Operating Segments*.

The operating segments note discloses airport 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.

The segments noted below also represent MAp's geographical segments, determined by country in which they operate. Sydney Airport is the only controlled asset where revenues and expenses are consolidated in the Consolidated Statements of Comprehensive Income. All other airport investments are deemed non-controlled investments and are carried at fair value with changes recognised through profit and loss.

MAp	**Sydney Airport $'000**	**Copenhagen Airports DKK'000**	**Brussels Airport EUR'000**
6 months to 30 June 2011			
Total segment revenues from external customers	**472,402**	**1,586,900**	**188,387**
Total segment expenses from external customers	**(90,866)**	**(782,500)**	**(79,890)**
EBITDA	**381,536**	**804,400**	**108,498**
6 months to 30 June 2010			
Total segment revenues from external customers	452,651	1,603,300	170,641
Total segment expenses from external customers	(85,419)	(738,900)	(79,557)
EBITDA	367,232	864,400	91,084

MAp	**Sydney Airport $'000**	**Copenhagen Airports $'000**	**Brussels Airport $'000**	**Other $'000**	**Total $'000**
30 June 2011					
Non-current assets	**10,543,157**	**752,173**	**824,989**	**6,540**	**12,126,859**
Total assets	**11,289,840**	**752,173**	**824,989**	**946,017**	**13,813,019**
Total liabilities	**8,822,280**	**-**	**-**	**147,136**	**8,969,416**
31 December 2010					
Non-current assets	10,624,663	924,580	1,013,963	9,821	12,573,027
Total assets	11,430,513	924,580	1,013,963	956,579	14,325,635
Total liabilities	8,791,854	-	-	140,210	8,932,064

10. Segment Reporting (continued)

A reconciliation of MAp EBITDA to loss before income tax benefit is provided as follows:

MAp	Sydney Airport $'000	Copenhagen Airports DKK'000	Brussels Airport EUR'000	Total $'000
6 months to 30 June 2011				
EBITDA	**381,536**	**804,400**	**108,498**	
EBITDA of investments carried at Fair Value		**(804,400)**	**(108,498)**	
AUD equivalent	**381,536**	**-**	**-**	**381,536**
Other income and expenses				
Interest income				**30,066**
Fair value movement on derivative contracts				**(593)**
Other income				**(4,301)**
Revaluation losses from investments				**(345,012)**
Finance costs				**(236,432)**
Amortisation and depreciation				**(152,502)**
Other expenses				**(17,387)**
Foreign exchange gains				**5,854**
Loss before income tax benefit				**(338,771)**

MAp	Sydney Airport $'000	Copenhagen Airports DKK'000	Brussels Airport EUR'000	Total $'000
6 months to 30 June 2010				
EBITDA	367,232	864,400	91,084	
EBITDA of investments carried at Fair Value		(864,400)	(91,084)	
AUD equivalent	367,232	-	-	367,232
Other income and expenses				
Interest income				26,946
Fair value movement on derivative contracts				60
Other income				2
Revaluation losses from investments				(64,205)
Finance costs				(221,360)
Amortisation and depreciation				(166,735)
Other expenses				(15,857)
Foreign exchange losses				28,091
Loss before income tax benefit				(45,826)

10. Segment Reporting (continued)

MAT2 Group	Sydney Airport $'000
6 months to 30 June 2011	
Total segment revenues	**472,402**
Total segment expenses	**(90,866)**
EBITDA	**381,536**
6 months to 30 June 2010	
Total segment revenues	452,651
Total segment expenses	(85,419)
EBITDA	367,232

MAT2 Group	Sydney Airport $'000	Other $'000	Total $'000
30 June 2011			
Non-current assets	**5,813,791**	**833,194**	**6,646,985**
Total assets	**5,813,791**	**896,242**	**6,710,033**
Total liabilities	**-**	**2,727,534**	**2,727,534**
31 December 2010			
Non-current assets	5,571,019	833,660	6,404,679
Total assets	5,571,019	871,520	6,442,539
Total liabilities	-	2,618,360	2,618,360

A reconciliation of the MAT2 Group EBITDA to profit before income tax expense is provided as follows:

MAT2 Group	6 months to 30 Jun 11 $'000	6 months to 30 Jun 10 $'000
EBITDA	**381,536**	367,232
EBITDA of investments carried at Fair Value	**(381,536)**	(367,232)
Other income and expenses		
Revenue	**39,194**	33,781
Other income	**(133)**	37
Revaluation gains from investments	**398,333**	607,987
Finance costs	**(144,309)**	(133,136)
Other expenses	**(10,863)**	(7,784)
Profit before income tax expense	**282,222**	500,885

11. Restatements

Changes in the accounting for foreign exchange

The Group has restated the opening 1 January 2010 balances of retained earnings and foreign currency translation reserve disclosed in these consolidated interim financial statements in order to retrospectively apply AASB 121: *The Effects of Changes in Foreign Exchange Rates* whereby amounts previously recognised in the foreign currency translation reserve are required to be reclassified to profit or loss on disposal of a foreign operation.

In accordance with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, the opening 1 January 2010 balances on the consolidated interim statement of financial position and the consolidated interim statement of changes in equity have been restated as follows:

- Foreign currency translation reserve has been debited by $59,791,480
- Retained earnings have been credited by $59,791,480

12. Contingent Assets and Liabilities

At 30 June 2011 the Groups have no contingent assets or liabilities which are material either individually or as a class (30 June 2010: nil).

13. Events Occurring after Balance Sheet Date

An interim distribution of 11.0 cents (2010: 11.0 cents) per stapled security was paid by MAT1 on 18 August 2011.

On 4 July 2011 Sydney Airport completed a successful $1,069.0 million bank and bond financing. These commitments provide Sydney Airport the ability to redeem Sydney Kingsford Smith Interest Earning Securities (SKIES) and fund capital expenditure through to 2014. Redemption of SKIES remains conditional on the fulfilment of a number of procedural and documentation steps associated with the bank debt commitments.

On 12 July 2011 Copenhagen Airports Denmark (a wholly owned subsidiary of Copenhagen Airports Denmark Holdings, the ultimate Danish parent company of the Copenhagen Airports Group) successfully raised DKK5.3 billion of new debt facilities. The proceeds will primarily be used to refinance the existing bank debt facility due to mature in December 2012, and to pay hedge break costs and refinancing fees. The newly established facilities were provided by a combination of existing and new banks and are evenly split between five year and seven year maturities.

As noted within the Significant Changes in State of Affairs, on 19 July 2011 MAIL entered into a binding agreement with OTPP in which MAIL will exchange its interests in Brussels Airport and Copenhagen Airports for OTPP's 11.02% interest in Sydney Airport and a net cash payment of $790.5 million. The net cash payment comprises a fixed Australian dollar cash consideration of $772.0 million and additional completion adjustments in relation to the settlement mechanics of the transaction estimated at $18.5 million as at 19 July 2011. These adjustments would lead to a revaluation increment to MAIL's investment in Brussels Airport and Copenhagen Airports at completion.

Under the binding agreement, MAIL has provided a comprehensive set of representations and warranties in respect of Copenhagen Airports and Brussels Airport, which are more commensurate with those normally provided by an owner / operator than a minority investor.

Completion of the asset swap is subject to:

- All regulatory approvals being obtained and not withdrawn, including European Commission Merger Regulation;
- No breach or potential breach of a material contract; and
- The conduct of pre-emptive rights processes for other Sydney Airport investors.

13. Events Occurring after Balance Sheet Date (continued)

Other key terms include indemnities from MAIL to OTPP for OTPP's share of the challenged withholding tax liabilities, should they ever materialise, arising from the Danish Tax Office's current assessments to Copenhagen Airports Denmark Holdings. There are also indemnities for certain pre-existing disputes or litigation at Brussels Airport and other contingent liabilities.

The asset swap terminates if the conditions precedent are not satisfied or waived. In addition, there are customary termination rights for material breach and material adverse events in each case exercisable where they result in a diminution in the value of Sydney, Brussels or Copenhagen airports exceeding 15%.

The Australian Government announced the "Securing a Clean Energy Future – the Australian Government's Climate Change Plan" on 10 July 2011. Whilst the announcement provides details of the framework for a carbon pricing mechanism (to be implemented from 1 July 2012), uncertainties continue to exist on the impact of any carbon pricing mechanism on the Groups as legislation has yet to be drafted, and must be voted on and passed by both houses of Parliament.

The current proposals will impose a carbon price on domestic air travel which contributes a proportionately smaller amount to revenue than international air travel which is not captured. Based on the details currently available and statements made by airlines operating in Australia regarding the likely impact on domestic airfares, the directors do not believe that the introduction of a carbon pricing mechanism will significantly impact the assumptions used for the purpose of the calculations used in asset impairment testing.

Since the end of the half year, the directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in the interim 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 periods subsequent to the half year ended 30 June 2011.

Interim Financial Report
for half year ended 30 June 2011

Statement by the Directors of the Responsible Entity of MAp Airports Trust 1

In the opinion of the directors of MAp Airports Limited, the Responsible Entity of MAT1:

a. the consolidated interim financial statements and notes for MAT1 set out on pages 7 to 25 are in accordance with the *Corporations Act 2001*, including:

   i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

   ii. giving a true and fair view of the Group's financial position as at 30 June 2011 and of its performance for the half year ended on that date; and

b. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the half year ended 30 June 2011.

The directors draw attention to Note 1 to the consolidated interim financial statements, which includes a statement of compliance with International Financial Reporting Standards.

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

Max Moore-Wilton	**Trevor Gerber**
Sydney	Sydney
24 August 2011	24 August 2011

Interim Financial Report
for half year ended 30 June 2011

Statement by the Directors of the Responsible Entity of MAp Airports Trust 2

In the opinion of the directors of MAp Airports Limited, the Responsible Entity of MAT2:

a. the consolidated interim financial statements and notes for MAT2 set out on pages 7 to 25 are in accordance with the *Corporations Act 2001*, including:

   i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

   ii. giving a true and fair view of the Group's financial position as at 30 June 2011 and of its performance for the half year ended on that date; and

b. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the half year ended 30 June 2011.

The directors draw attention to Note 1 to the consolidated interim financial statements, which includes a statement of compliance with International Financial Reporting Standards.

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

Max Moore-Wilton	**Trevor Gerber**
Sydney	Sydney
24 August 2011	24 August 2011

Independent Auditor's Review Report to the Security Holders of MAp Airports Trust 1 and MAp Airports Trust 2

We have reviewed the accompanying interim financial reports of MAp and MAp Airports Trust 2, which comprise the consolidated balance sheets as at 30 June 2011, and consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the half year ended on that date, Notes 1 to 13 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration for MAp and MAp Airports Trust 2 (the 'Groups'). MAp comprises MAp Airports Trust 1 and the entities it controlled at the half year end or from time to time during the half year which are deemed to include MAp Airports Trust 2 and the entities it controlled at the half year end or from time to time during the half year and MAp Airports International Limited and the entities it controlled at the half year end or from time to time during the half year. MAp Airports Trust 2 comprises MAp Airports Trust 2 and the entities it controlled at the half year end or from time to time during the half year.

Directors' responsibility for the interim financial report

The directors of MAp Airports Limited (the Responsible Entity) are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement whether, due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of MAp's and MAp Airports Trust 2's financial position as at 30 June 2011 and their performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of MAp and MAp Airports Trust 2, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial reports of MAp and MAp Airports Trust 2 are not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of MAp's and MAp Airports Trust 2's financial position as at 30 June 2011 and of their performance for the half year ended on that date; and
b) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001.*

KPMG

KPMG

Andrew Yates
Partner
Sydney
24 August 2011