

# ***EARNINGS ANNOUNCEMENT***

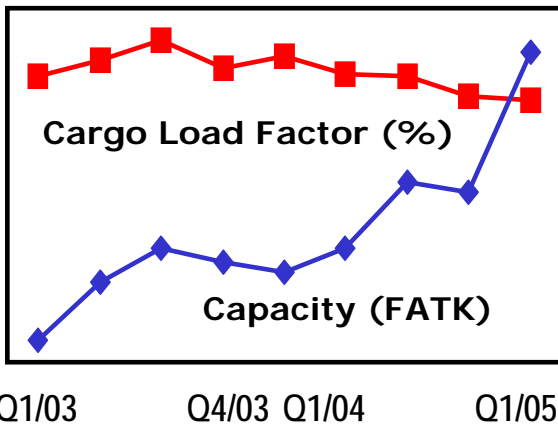
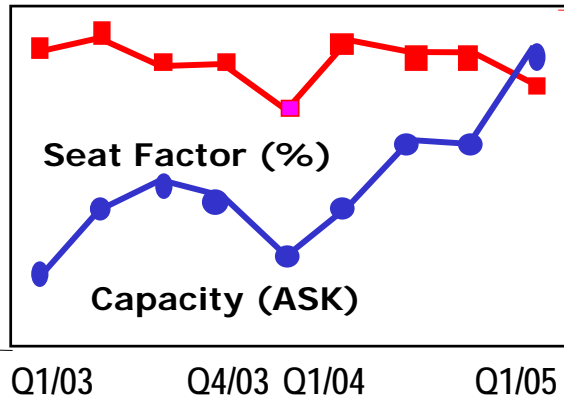
***1<sup>st</sup> Quarter***

***Financial Year Ended 31 March 2005***

***Presentation to Analyst  
23 August 2004***



# Overview of Operating Results



Q1 FY04/05    Q1 FY3/04

## Passenger

• Passenger Flown (no.)	Int'l	1,925	1,255
	Dom	2,210	1,862
• Capacity (ASK mil)	Int'l	13,909	11,502
	Dom	1,624	1,607
• Seat Factor (%)	Int'l	61.5	55.1
	Dom	71.8	64.8
• Yield (sen per RPK)	Int'l	18.4	17.2
	Dom	28.4	27.2

## Cargo

• Tonnage Flown (mil Kg)	126	110
• Capacity (FATK mil)	1,088	777
• Cargo Yield (sen per FTK)	87.6	78.4
• Load Factor (%)	59.1	69.2

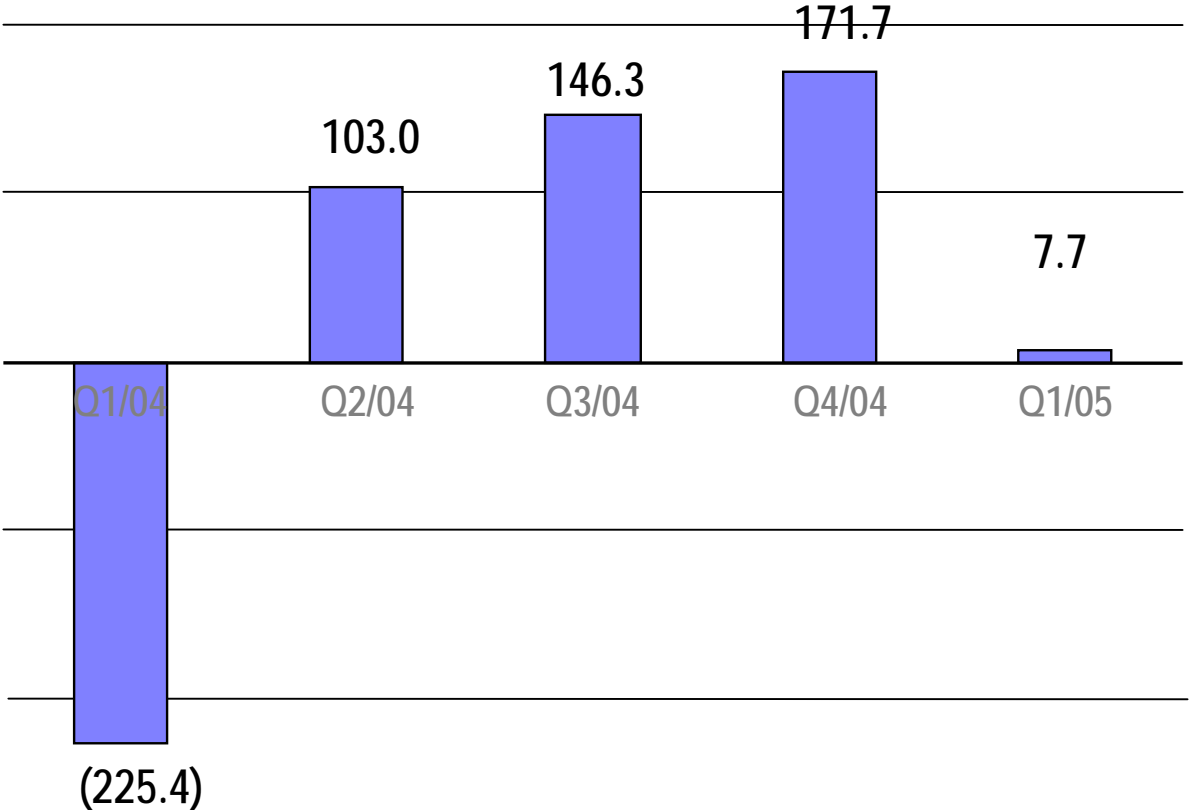
## Revenue (System-wide)

• Passenger (RM mil)	1,945.4	1,381.5
• Cargo (RM mil)	560.3	425.5

Profit/(Loss) from Operations (RM mil)	7.7	(225.4)
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# Operating Profit History

RM mil



# Systemwide Performance

	Q1 FY04/05 RM mil	FY 03/04 RM mil	Change RM mil	Change %
<b><u>REVENUE</u></b>				
<b><u>Passenger</u></b>				
• International	1,613.5	1,098.0	515.5	46.9
• Domestic	331.9	283.5	48.4	17.1
Cargo	560.3	425.5	134.8	31.7
Catering Services	-	6.6	(6.6)	(100.0)
Others	282.2	159.7	115.9	76.7
	2,787.9	1,973.3	814.6	41.3
Transfer to PMB	(348.9)	(300.8)	(48.1)	16.0
Operating Revenue	2,439.0	1,672.5	766.5	45.8

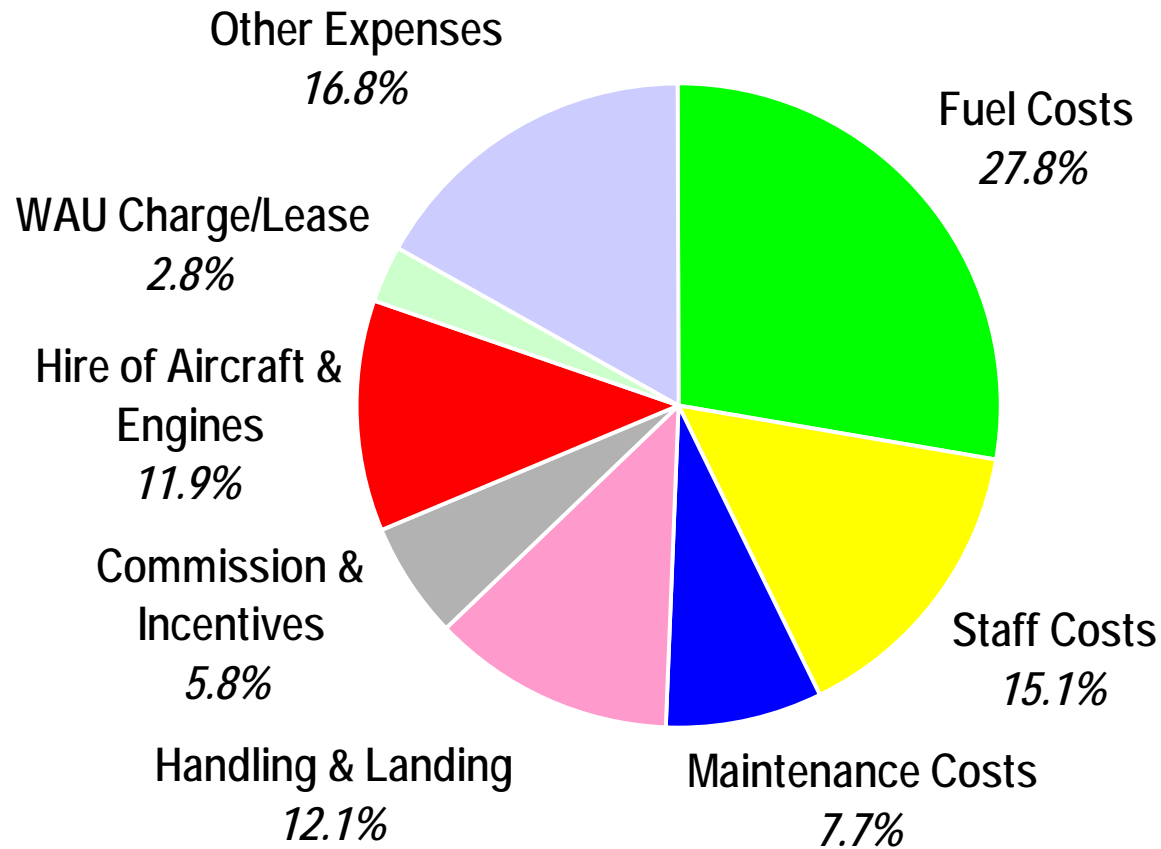
# Systemwide Performance

	Q1 FY04/05 RM mil	Q1 FY03/04 RM mil	Change RM mil	Change %
<b><u>EXPENDITURE</u></b>				
Staff cost	426.9	404.9	22.0	5.4
Fuel cost	787.0	535.0	252.0	47.1
Aircraft maintenance & overhaul	218.2	201.3	16.9	8.4
Handling & landing fees	344.3	302.9	41.4	13.7
Commission & sales incentives	164.6	142.8	21.8	15.3
Advertising & promotions	33.8	23.0	10.8	47.0
Provision for doubtful debts - net	-	4.5	(4.5)	(100.0)
CRS Fees	41.9	31.5	10.4	33.0
Forex differences	25.1	0.7	24.4	3,485.7
Others	277.6	195.0	82.6	42.4
	2,319.4	1,841.6	477.8	25.9
Transfer to PMB	(356.9)	(332.9)	(24.0)	7.2
	1,962.5	1,508.7	453.8	30.1
EBITDAR	476.5	163.8	312.7	190.9
EBITDAR Margin %	19.5%	9.8%	-	+9.7% pts

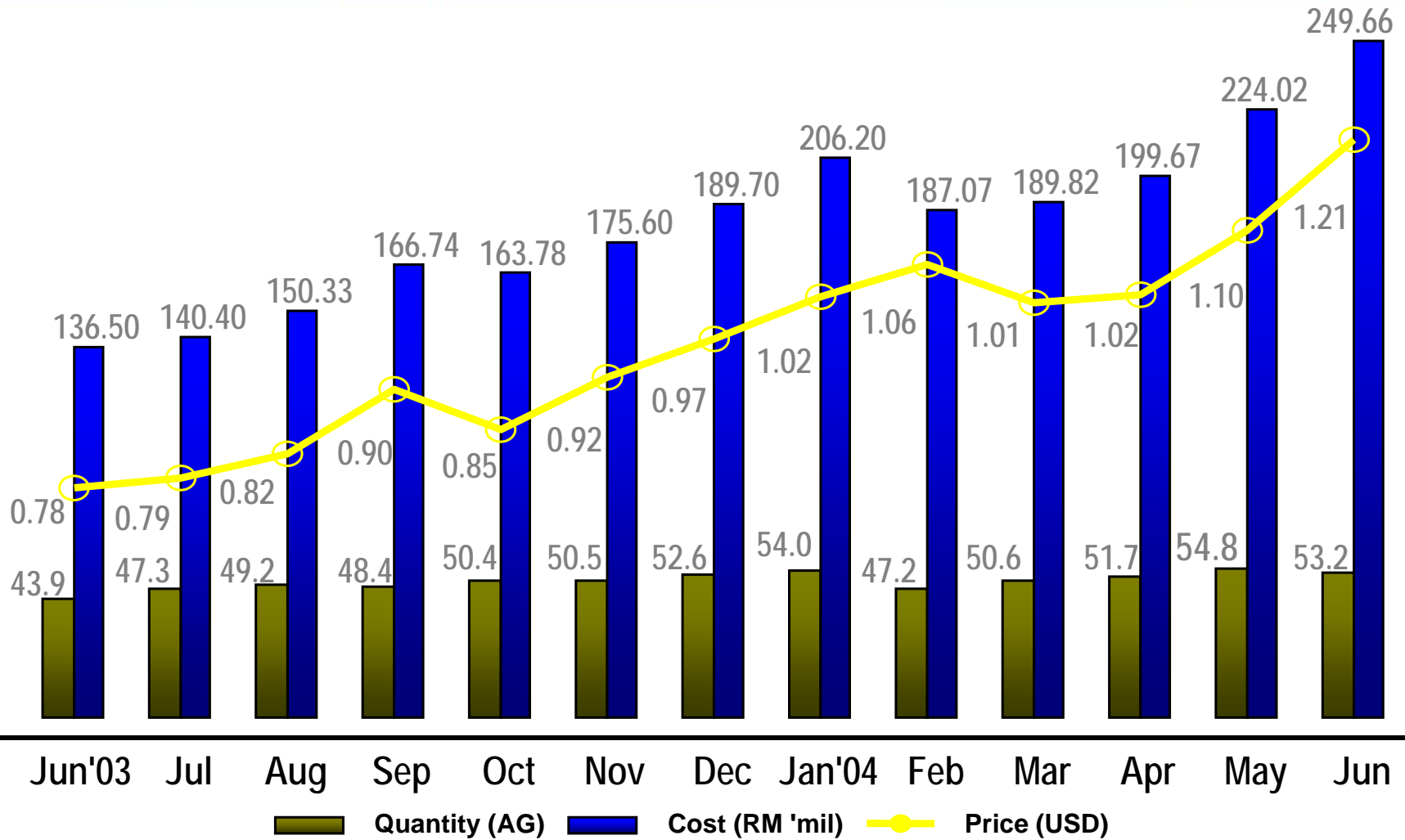
# Systemwide Performance

	Q1 FY04/05 RM mil	Q1 FY03/04 RM mil	Change RM mil	Change %
EBITDAR	476.5	163.8	312.7	190.9
Finance charges	-	2.0	(2.0)	(100.0)
Depreciation	58.7	54.3	4.4	8.1
Hire of aircraft & engines	336.2	272.3	63.9	23.5
WAU charges	72.6	71.4	1.2	1.7
WAU leases	7.7	8.2	(0.5)	(6.1)
Hire of equipment	3.3	3.6	(0.3)	(8.3)
Rentals	35.8	30.7	5.1	16.6
Transfer to PMB	(44.1)	(50.1)	6.0	12.0
Profit from Operations after Finance Charges	6.3	(228.6)	234.9	102.8
Profit on sale of aircraft	-	65.7	(65.7)	(100.0)
Share of Assoc Co. results	16.2	0.6	15.6	2,600.0
Profit before tax	22.5	(162.3)	184.8	113.9
Taxation	4.9	(1.9)	6.8	357.9
Minority Interest	(0.8)	(0.3)	(0.5)	(166.7)
Net Profit after Tax	26.6	(164.5)	191.1	116.2

# Systemwide Expenditure – 1<sup>st</sup> Qtr FY04/05



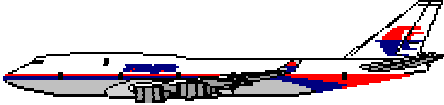
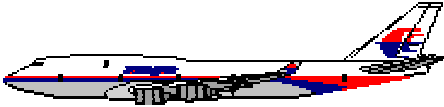
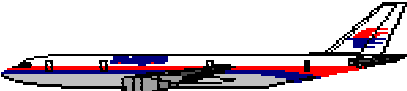


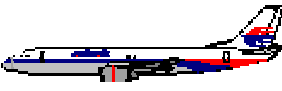


# Fuel Cost and Consumption



# Balance Sheet

	As at 30 <sup>th</sup> June 2004 RM mil	As at 31 <sup>st</sup> Mar 2004 RM mil	Change %
Cash	2,100.2	2,190.9	(4.1)
Other Current Assets	2,416.5	2,475.0	(2.4)
Non Current Assets	1,886.0	1,823.6	3.4
Deferred Tax Asset	131.6	126.2	4.3
Total Assets	6,534.3	6,615.7	(1.2)
Liabilities	(3,470.3)	(3,578.4)	(3.0)
Net Assets	3,064.0	3,037.3	0.9
<i>Represented by :</i>			
Shareholders' Funds	3,050.6	3,024.0	0.9
Minority Interests	12.2	12.0	1.7
Deferred Taxation	1.3	1.3	-
	3,064.0	3,037.3	0.9

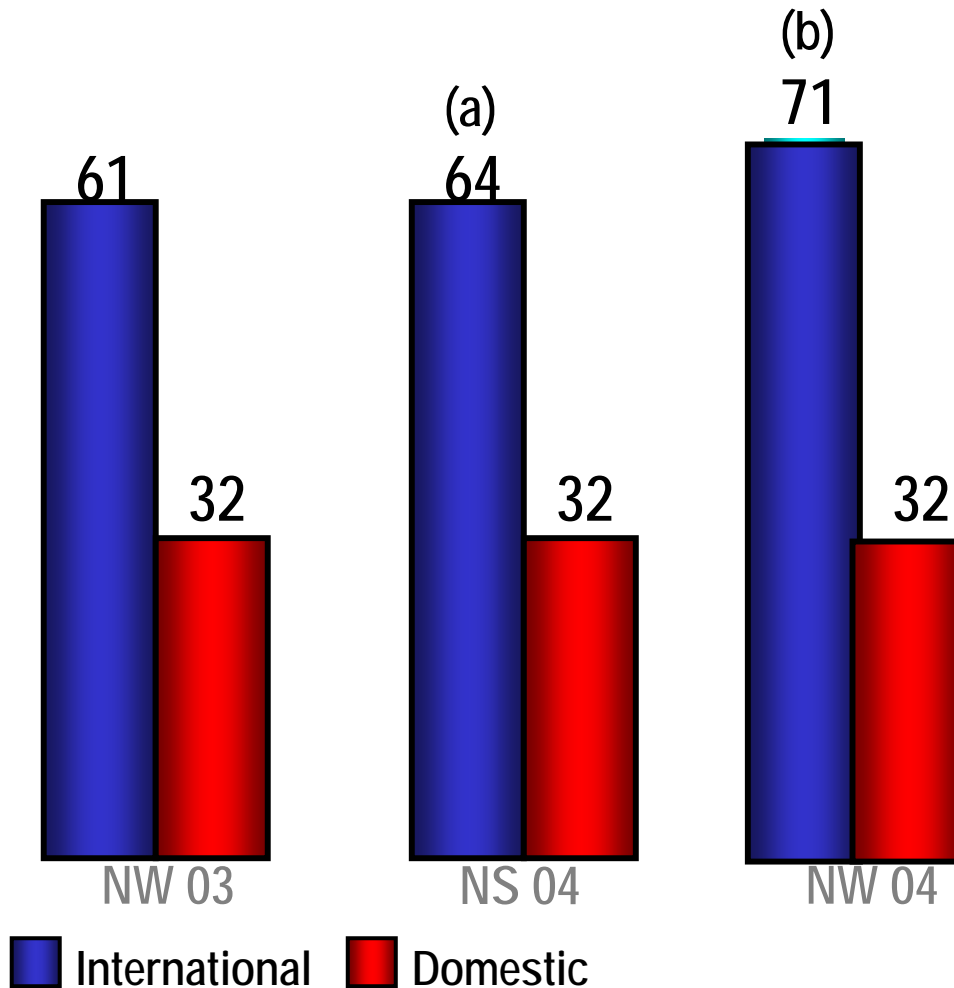
# Aircraft NBR/Utilisation

		Q1 FY04/05		Q1 FY03/04	
B747-400P		17	14.07	17	13.04
B747-200F		7	9.72	5	9.00
B777-200		15	13.32	15	11.94
A330-300		11	11.50	9	9.61
A330-200		5	10.99	3	3.96
B737-400		39	8.72	39	7.54
Fokker 50		10	6.76	10	6.36
Twin Otter		5	6.76	5	7.00

# Industry Trends

- LCC's starting to proliferate in India and China after recent start-ups in SIN and BKK
- Pressure on yields and loads despite traffic recovery
- Disbanding MDP will enable MAS to implement selective pricing strategy in Malaysian markets
- High Fuel prices remain a concern for airlines
- Future excess capacity and competition could intensify with new aircraft orders by major carriers in Asia and UAE
- Travel advisories and concern over security in neighbouring countries and could affect travel to S. E. Asia
- Reemergence of bird flu in China, Thailand and Vietnam could impact travel
- Asian markets continue to show high traffic growth aided by buoyant global economy from broad based US, Japan and EU recovery. But China and US slowdown could impact future travel.

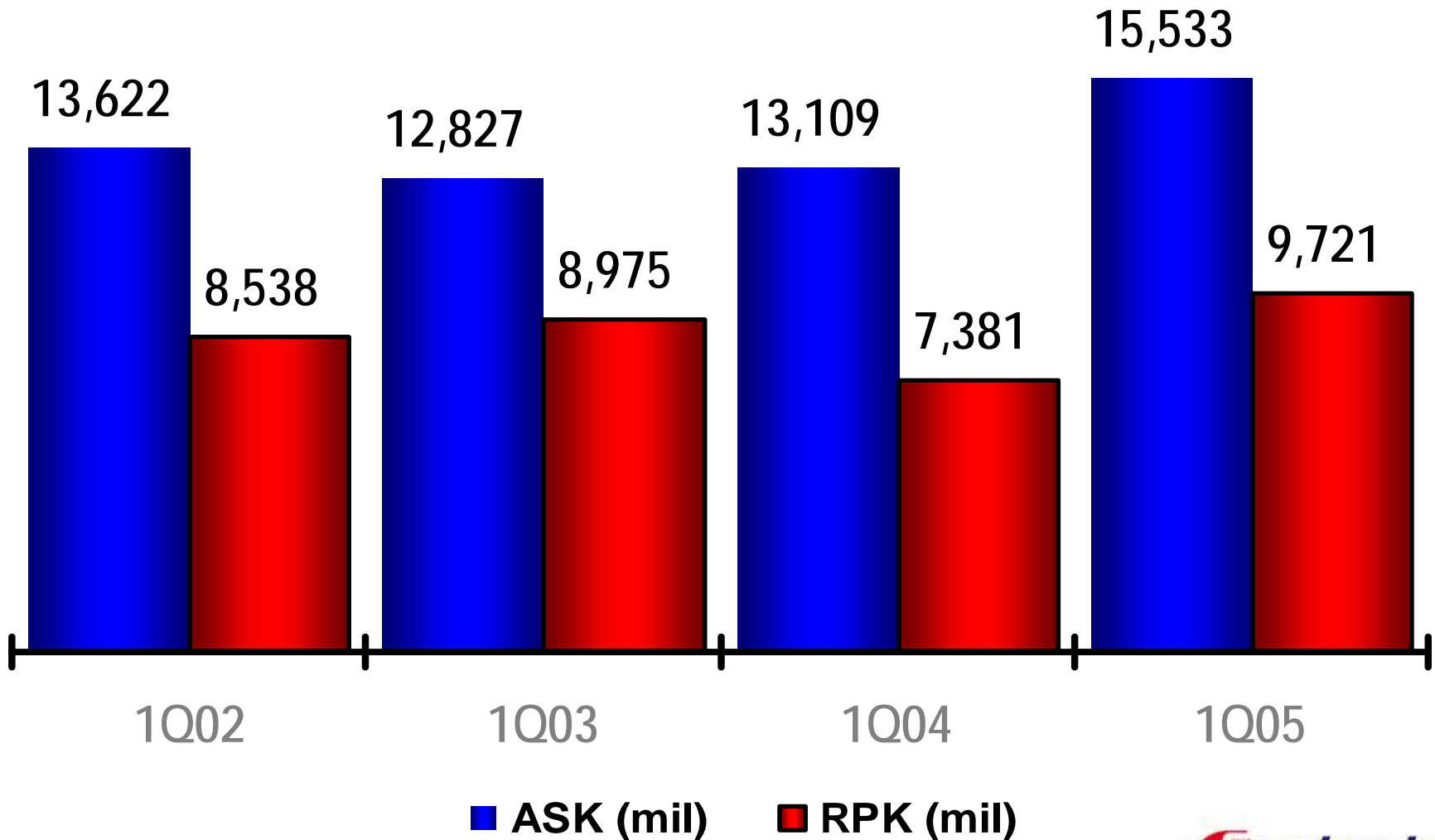
# No. of destinations



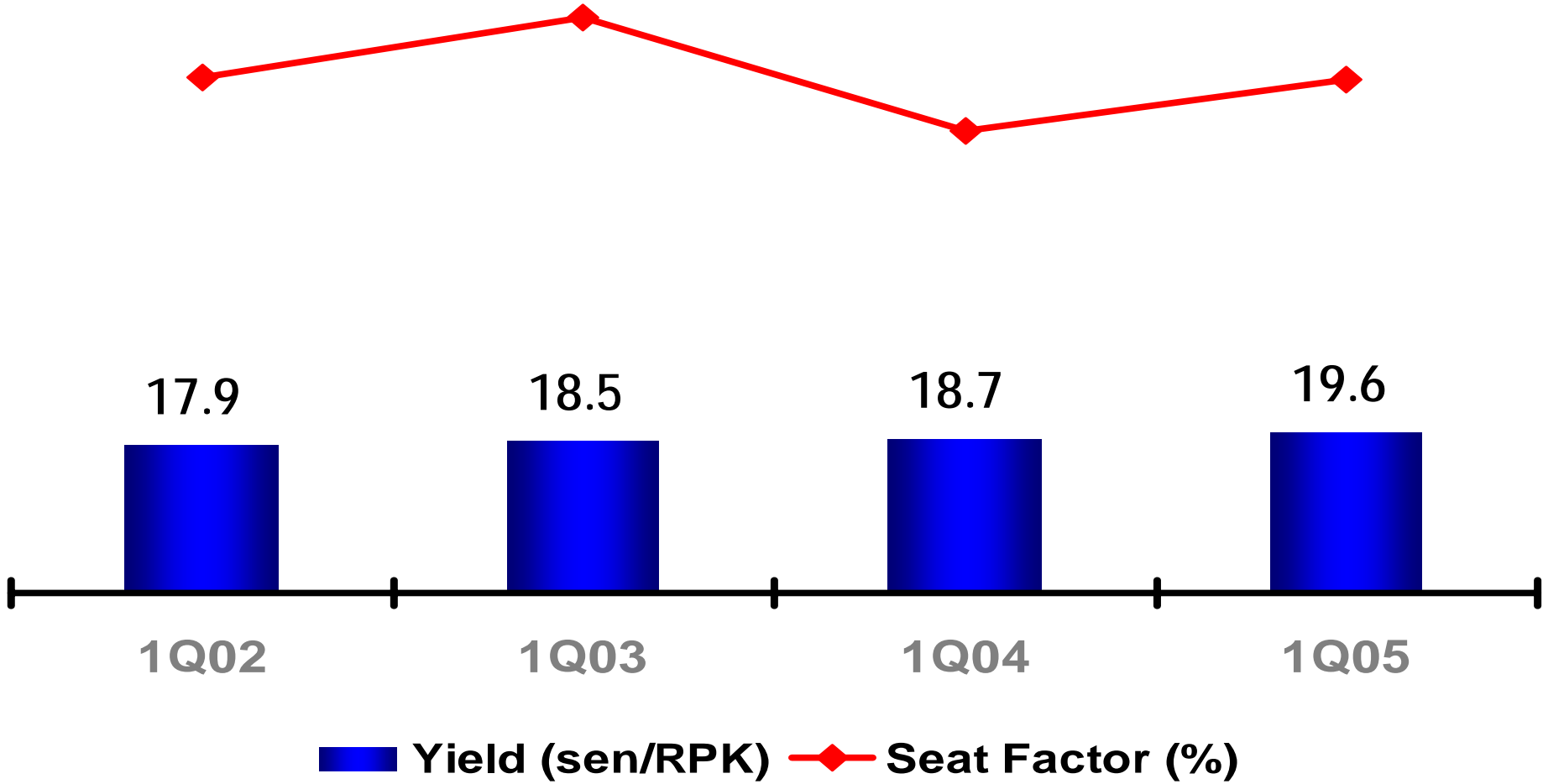
a : Addition of Vienna, Siem Reap & Chengdu

b : Inclusive of Stockholm, Kunming, Wuhan, Fukuoka, Ahmedabad, Cochin and Calcutta

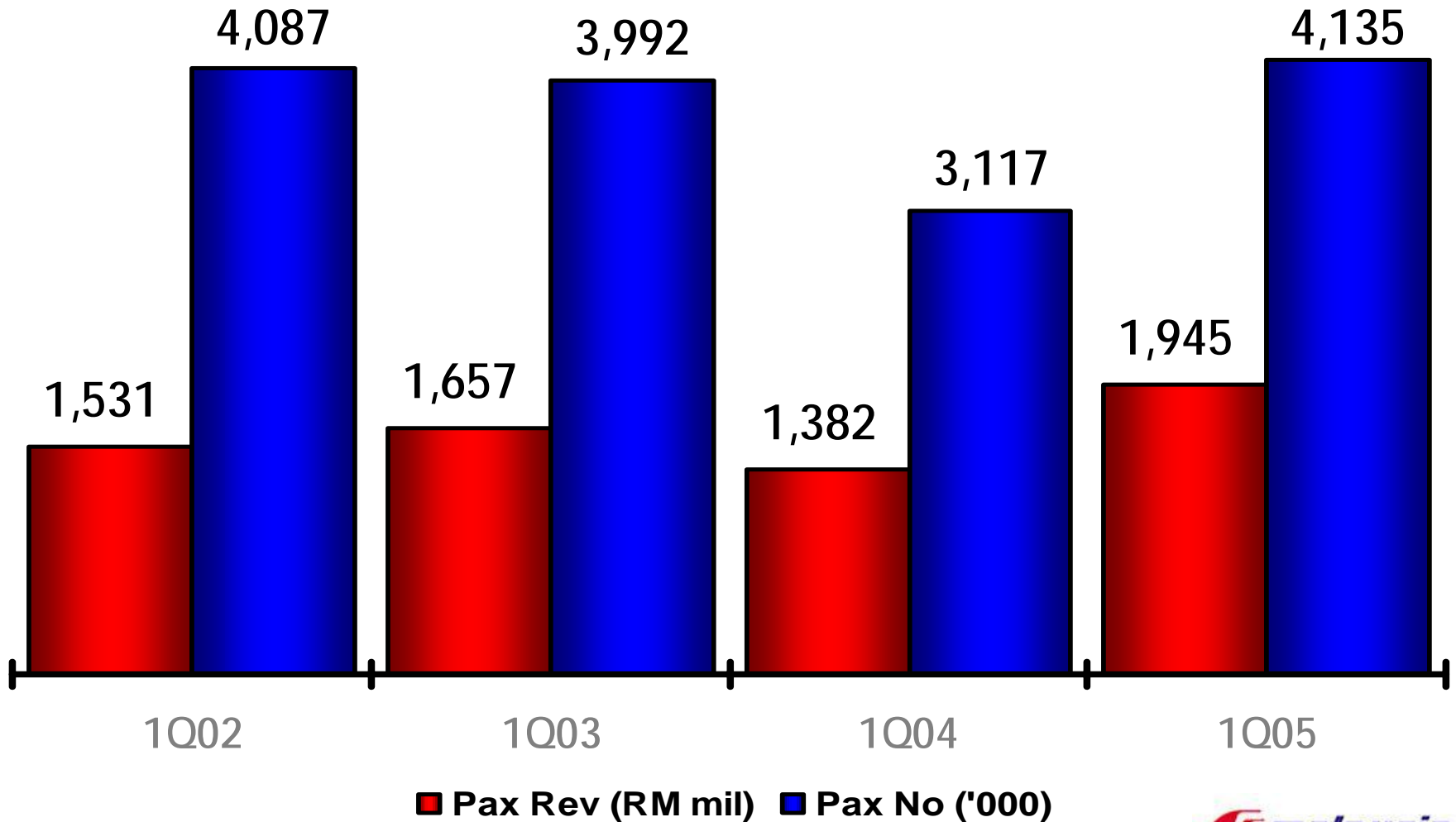
# RPK & ASK Quarterly Trend



# Yield & Seat Factor Quarterly Trend



# Passenger Revenue & No. Quarterly Trend



***THANK YOU***