

SUBANG INTERNATIONAL AIRPORT : - FINANCIAL
PERFORMANCE ANALYSIS WITH REFERENCE
TO REVENUE

HAJI AHMAD NADZRI
BIN
HAJI ROES

ADVANCED DIPLOMA IN BUSINESS ADMINISTRATION
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SCHOOL OF BUSINESS & MANAGEMENT

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ABSTRACT

Airports are highly capital intensive industry, providing essential services and supplies to airports themselves and to carriers and patrons of airport.

This study aims to reveal the current sources of revenue, the relative importance of aeronautical versus non-aeronautical revenue, the trend of aeronautical revenue and opportunities for their enhancement at Subang International Airport, the largest airport in Malaysia.

the airport is on a commercial basis, it should not be satisfied with its present revenue outlets. One of the popular means of churning extra income would be from non-aeronautical revenue channels.

a fact that maintaining account to commercial principles and practices isn't sufficient where the airport has to operate like a commercial organisation where bureaucratic procedures and delays in effecting contracts aren't conducive to the maximisation of revenue.

Privatisation could be an alternative to overcome the problem in long run but it should be implemented accordingly without affecting the national interest and the social needs of the

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1.1 INTRODUCTION

Subang International Airport is an organisation of Civil Aviation Department under the Ministry of Transport. Diagram 1.1 shows the organisation chart of Subang International Airport.

The objectives of the airport is derived from the main objectives of DCA¹ :

to ensure that all needs of the people of Malaysia are met in terms of safe, regular, efficient and economical air transportation.

to minimise the potential of suffering the of life and property from air disasters and related causes.

to regulate and control other aeronautical matters to meet standards laid down by ICAO.

to provide access to otherwise inaccessible areas in order to facilitate the development efforts of the Government.

to supplement the efforts of the Government in promotion of tourism and to help achieve

1. Malaysia Official Year Book p 333 1981.