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PRESS RELEASE

To: Business Editor

ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED ANNOUNCEMENT OF INTERIM RESULTS

FOR THE SIX MONTHS TO 30 JUNE 2006

HONG KONG, 24 August 2006 -- Asia Satellite Telecommunications Holdings Limited ('AsiaSat' - SEHK: 1135HK; NYSE: SAT), Asia's leading satellite operator, today announces its 2006 interim results for the six months ended 30 June 2006.

A PROMISING BUT STUBBORN MARKET NEW SATELLITE ANNOUNCED

Financial Summary:

			Excluding One-Time Receipt	
• Sales	HK\$475M	+7%	HK\$429M	-4%
• Profit attributable to equity holders	HK\$239M	+29%	HK\$198M	+7%
• Earnings per share	HK\$0.61	+30%	HK\$0.51	+9%
• Dividend per share	HK\$0.08	No change		

Operational Highlights:

- Overall utilisation rate up 4% despite overcapacity in many Asian markets
- Expanding blue-chip customer base with long-term contracts
- Construction of AsiaSat 5 commenced in May
- Continued profit growth from SpeedCast
- Strong cash flow. Debt free.

AsiaSat's Chairman, Romain Bausch, said, "Despite some encouraging signs, there is little evidence emerging to indicate that these will make significant changes to AsiaSat's results for the second half of 2006. Thus, it is unlikely that the results for the full year will be materially different from those of the prior year. However, the Group is in excellent shape and is making solid progress wherever possible in the development of our customer products and services, particularly with the contracting of our new satellite. As the market leader in the region, we recognise our role in setting the standards for quality and service and we remain optimistic about future growth. AsiaSat's reputation for excellence and its market leadership position the Company well for the future."

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ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Preliminary Announcement of 2006 Interim Results

CHAIRMAN'S STATEMENT

A Promising but Stubborn Market

The economic improvements that we have noted in recent reports continue to be evident in the Asia-Pacific region. However, the persistent overcapacity present in many markets across the region is still holding down transponder rates and causing the satellite market to remain stubbornly flat. As a result, despite an increase in demand in our business and a concerted effort to capitalise on opportunities, little positive impact has come through in the results for the first six months of 2006.

In these circumstances and with a view to the longer term, it is pleasing that I am able to report that, following the 18% increase in our overall utilisation rate during last year's difficult market, we achieved a further 4% increase in the first half of 2006. This is an encouraging improvement amidst otherwise unimpressive results.

AsiaSat, however, continues to attract and maintain an enviable blue-chip customer base with long-term contracts; the Company is also debt free and has no need to make any provisions for doubtful debts in the period under review. Looking at the longer term, our confidence in a bright future for satellites in the Asia Pacific is unchanged, as is our belief in AsiaSat's potential to benefit from this in due course. For these reasons, we continue to focus on our customers and on enhancing our products and services so as to further consolidate our market leadership and be ready for the next growth phase. I want to thank each member of management and staff for his and her dedication to excellence in the current tough market.

Underlining our continued confidence in the future of the Group, in May this year we announced the signing of the Construction Agreement to design and build AsiaSat 5, and we also announced its Launch Contract. This new satellite, a replacement for AsiaSat 2, is scheduled for launch in the second half of 2008.

INTERIM RESULTS

Turnover for the first half of 2006 was HK\$475 million including a one-time receipt of HK\$46 million for early termination of a contract (2005: HK\$445 million), an increase of HK\$30 million. Excluding the one-time receipt, recurring revenue was down by HK\$16 million. The profit attributable to equity holders was HK\$239 million (2005: HK\$185 million), up 29%. This increase was due largely to the one-time receipt and to higher interest income.

Operating expenses in the first half of 2006, amounted to HK\$99 million (2005: HK\$102 million), a decrease of HK\$3 million mainly from lower satellite in-orbit insurance.

The Group's EBITDA (earnings before interest, tax, depreciation and amortisation) margin increased to 79% (2005: 77%) as a result of the one-time receipt reported above.

During the period, the Group generated a net cash flow of HK\$183 million (2005: HK\$96 million) after paying capital expenditure of HK\$118 million and dividends of HK\$105 million. At 30 June 2006, the Group reported a cash balance of HK\$1,818 million (31 December 2005: HK\$1,636 million). The Group continues to be debt free, which positions us well financially to undertake our investment programme and to pursue acquisition opportunities in the Region.

DIVIDEND

The Board has resolved to pay an interim dividend of HK\$0.08 per share (2005: HK\$0.08), the same as last year. The interim dividend is payable on 14 November 2006 to equity holders on the share register as of 12 October 2006. The share register will be closed from 5 to 12 October 2006, both days inclusive.

OPERATIONS REVIEW

New Satellite

AsiaSat's reputation for excellence has been built on providing our customers with the combined benefits of the best facilities and service in the industry today and on anticipating their needs for the future. To this end, in May, we announced the commencement of construction of AsiaSat 5, a new satellite that will replace AsiaSat 2 at the orbital location of 100.5°E. Shortly after, we also confirmed that we had signed a contract with Sea Launch to position AsiaSat 5 in orbit on a Land Launch rocket. This is scheduled to take place in the second half of 2008 from the Baikonur Cosmodrome in Kazakhstan.

In-orbit Satellites

During the first six months of 2006, the Group's fleet of three in-orbit satellites, AsiaSat 2, AsiaSat 3S and AsiaSat 4, continued to deliver excellent service.

The fleet is located over the Asian land mass and forms the platform for one of the largest television viewerships in the world and provides AsiaSat customers with unparalleled coverage of two-thirds of the world's population.

AsiaSat 2 was launched in November 1995 and orbits at 100.5°E. It carries 24 C-band and 9 Ku-band transponders, and its overall utilisation rate at 30 June 2006 was 42% (31 December 2005: 40%).

AsiaSat 3S was launched in March 1999 and is stationed at 105.5°E. This satellite carries a payload of 28 C-band and 16 Ku-band transponders, and its overall utilisation rate at 30 June 2006 was 72% (31 December 2005: 73%).

AsiaSat 4 was launched in April 2003 and is positioned at the 122.2°E slot carrying 28 C-band and 20 Ku-band transponders, including four Hong Kong BSS (broadcast satellite service) transponders. Its overall utilisation rate at 30 June 2006 was 52% (31 December 2005: 47%).

The total number of transponders on the Company's satellites leased and sold at 30 June 2006 increased to 70 (31 December 2005: 67), a 4% improvement, representing an overall utilisation rate of 56% (31 December 2005: 54%). This included the four BSS transponders provided for the DTH (direct-to-home) service.

Contracts with Customers

In the first six months of 2006, we secured new contracts to the value of HK\$186 million (2005: HK\$132 million) and renewed contracts to the extent of HK\$296 million (2005: HK\$316 million) improving the total to HK\$482 million (2005: HK\$448 million).

As of 30 June 2006, the Group held contracts worth HK\$2,785 million (31 December 2005: HK\$2,771 million), of which approximately HK\$381 million will be recognised in the second half of the current year. Despite the slow market, the Company has been able to make a number of improvements and maintain its backlog level.

MARKET REVIEW

Growth in Asia-Pacific markets continues to lag behind that seen in other satellite markets around the world. This is because, on one hand, the excess in transponder capacity that was built up in preceding years still has not been fully taken up and, on the other hand, a slower introduction of new applications in the region than has occurred in other parts of the world. Such applications as High Definition Television (HDTV) are beginning to show growth in other markets including North America, Europe and Japan. However, they have yet to gather momentum in other parts of Asia.

Nevertheless, HDTV is seen as a key driver for growth in the next few years. Another is video to mobile devices, which is showing great promise for satellites in the future. Coupled with the increasing demand for television and VSAT-delivered telecommunications services, these new applications will help to push the industry forward in the coming years.

BUSINESS DEVELOPMENT

Subsidiary

Skywave

Our subsidiary, Skywave TV Limited (“Skywave”), is 80% held by the Company and is engaged with its partners in establishing a low cost DTH (direct-to-home) platform to serve the markets of Hong Kong, Macau, Taiwan and Southern China.

Skywave launched its services at the beginning of 2005 and currently offers a variety of some 36 programmes branded under ‘family favourites’, ‘premium movies’ and ‘premium sports’.

In the first half of this year, Skywave incurred a loss of HK\$2 million (2005: HK\$3 million), of which our share was close to HK\$2 million. This has been reflected in the consolidated accounts.

Associate Companies

SpeedCast

Our associate, SpeedCast Holdings Limited (“SpeedCast”) in which the Company holds 47%, provides broadband, multimedia and corporate broadcast services to customers in countries across Asia and beyond.

In the first six months of 2006, the company continued to improve its performance in a highly competitive market having moved into profit in the second half of 2005. The company also continued to grow and, in the 2006 period under review, achieved a turnover of HK\$51 million (2005: HK\$38 million), an increase of 34%, and a profit of HK\$2 million (2005: loss of HK\$1 million).

During the half year, AsiaSat generated HK\$22 million as utilisation fees (2005: HK\$14 million) from SpeedCast by leasing capacity to the company.

Beijing Asia

In China, we are joint venture partners in Beijing Asia Sky Telecommunications Limited (“Beijing Asia”), in which the Company holds a 49% stake. This company is engaged in providing VSAT (very small aperture terminal) services in the Mainland. Beijing Asia started business in the last quarter of 2004 and, for the first six months of 2006, incurred a loss of HK\$4 million (2005: HK\$4 million), of which AsiaSat’s share was HK\$2 million (2005: HK\$2 million).

Non-domestic Television Programme Service Licence

The Company applied for, and was granted, another Non-domestic Television Programme Service Licence in the first half of 2006. To broaden our business scope, this licence, together with the Fixed Carrier Licence, will be used to provide bundled services for customers who need both space segment and uplink services from the Company.

DIRECTOR

Mr. Don Fullerton, who was an Independent Non-executive Director, the Chairman of the Remuneration Committee and a member of the Audit Committee for the last ten years, resigned on 30 May 2006. During these years, Mr. Fullerton has travelled frequently from Toronto to Hong Kong to attend meetings, and his contribution has been much appreciated. On behalf of AsiaSat and the Board, I wish to express our deep appreciation for his commitment and dedication to the Company. To fill the vacancy following Mr. Fullerton's departure, Mr. James Watkins has agreed to join AsiaSat as an Independent Non-executive Director, the Chairman of the Remuneration Committee and a member of the Audit Committee with effect from 30 June 2006. Mr. Watkins qualified as a solicitor in 1969 and was for 20 years a partner in a leading international English law firm and specialised in the fields of corporate law, corporate finance, international capital markets and international projects and project finance. From 1997 to 2003, he was an Executive Director and Group General Counsel in a listed conglomerate. Mr. Watkins currently holds non-executive directorships in a number of listed public companies and brings rich experience across a spectrum of industries and businesses. We express a warm welcome to Mr. Watkins.

OUTLOOK

Despite some encouraging signs, there is little evidence emerging to indicate that these will make significant changes to AsiaSat's results for the second half of 2006. Thus, it is unlikely that the results for the full year will be materially different from those of the prior year. However, the Group is in excellent shape and is making solid progress wherever possible in the development of our customer products and services, particularly with the contracting of our new satellite. As the market leader in the region, we recognise our role in setting the standards for quality and service and we remain optimistic about future growth. We base this commitment on our belief in the energies of the rapidly developing nations of the Asia Pacific and on the huge benefits that satellites can bring to the disparate markets of the region. AsiaSat's reputation for excellence and its market leadership position the Company well for the future.

Romain BAUSCH

Chairman

Hong Kong, 24 August 2006

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

(All amounts in HK dollars thousands unless otherwise stated)

		Unaudited	
		Six months ended 30 June	
	Note	2006	2005
Continuing operations			
Sales	3	475,760	445,338
Cost of services	4	(204,341)	(210,373)
Gross profit		271,419	234,965
Other gains (net)	4	41,038	16,562
Administrative expenses	4	(43,094)	(38,246)
Operating profit		269,363	213,281
Share of loss of associates		(1,688)	(1,909)
Profit before income tax		267,675	211,372
Income tax expense	5	(28,780)	(26,660)
Profit from continuing operations and for the half-year		238,895	184,712
Attributable to:			
- equity holders of the Company		239,211	185,240
- minority interests		(316)	(528)
		238,895	184,712
		HK\$	HK\$
		per share	per share
Earnings per share for profit attributable to the equity holders of the Company, expressed in HK\$ per share			
- basic	6	0.61	0.47
- diluted	6	0.61	0.47
Interim dividend			
Interim dividend declared of HK\$0.08 (2005: HK\$0.08) per share		31,221	31,221

Note 1 to note 6 form an integral part of this condensed interim financial information.

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

(All amounts in HK dollars thousands unless otherwise stated)

	As at	
	30 June	31 December
	2006	2005
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	2,590,809	2,620,911
Leasehold land and land use rights	23,907	24,199
Intangible assets	1,356	1,339
Unbilled receivable	172,597	174,563
Interests in associates	14,729	14,294
Amount paid to tax authority	122,466	93,666
Total non-current assets	2,925,864	2,928,972
Current assets		
Inventories	431	434
Trade and other receivables	154,515	118,598
Cash and cash equivalents	1,818,420	1,635,526
Total current assets	1,973,366	1,754,558
Total assets	4,899,230	4,683,530
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Capital	43,641	43,641
Other reserve	464	-
Retained earnings	4,194,386	4,060,547
	4,238,491	4,104,188
Minority interests	5,221	5,537
Total equity	4,243,712	4,109,725

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

(All amounts in HK dollars thousands unless otherwise stated)

	As at	
	30 June	31 December
	2006	2005
	Unaudited	Audited
LIABILITIES		
Non-current liabilities		
Deferred income tax liabilities	185,960	192,654
Deferred revenue	155,074	87,654
Total non-current liabilities	341,034	280,308
Current liabilities		
Construction payables	2,942	3,096
Other payables and accrued expenses	72,541	64,118
Deferred revenue	146,153	151,982
Current income tax liabilities	92,727	74,180
Dividend payable	121	121
Total current liabilities	314,484	293,497
Total liabilities	655,518	573,805
Total equity and liabilities	4,899,230	4,683,530
Net current assets	1,658,882	1,461,061
Total assets less current liabilities	4,584,746	4,390,033

Note 1 to note 6 form an integral part of this condensed interim financial information.

Notes (All amounts in HK dollars thousands unless otherwise stated):

1. Independent review

The interim results for the six months ended 30 June 2006 are unaudited but have been reviewed in accordance with Statement of Auditing Standard 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), by PricewaterhouseCoopers, whose unmodified review report is included in the interim report to be sent to equity holders.

2. Basis of preparation

This condensed consolidated interim financial information for the half-year ended 30 June 2006 has been prepared in accordance with IAS/HKAS 34, 'Interim financial reporting'. The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2005.

3. Sales and segment information

The Company's sales is analysed as follows:

	<u>Six months ended 30 June</u>	
	2006	2005
Income from provision of satellite transponder capacity:		
- recurring	415,530	430,816
- non-recurring	45,578	-
Sales of satellite transponder capacity	12,246	12,246
Other revenue	2,406	2,276
	<u>475,760</u>	<u>445,338</u>

The Company has only one business segment, namely the operation, maintenance and provision of satellite telecommunication systems for broadcasting and telecommunications. The Company's primary reporting format for segment reporting purposes under HKAS 14 "Segment Reporting" is the geographical basis. For the purpose of classification, the country where the customer is incorporated is deemed to be the source of sales. However, the Company's operating assets consist primarily of its satellites which are used, or are intended for use, for transmission to multiple geographical areas and therefore cannot be allocated between geographical segments. Accordingly, no geographical analysis of expenses, assets and liabilities has been presented.

The following table provides an analysis of the Company's sales by geographical markets:

	<u>Six months ended 30 June</u>	
	2006	2005
Hong Kong	170,404	167,276
Greater China, including Taiwan	94,077	99,780
United States of America	39,874	38,597
United Kingdom	26,372	24,410
British Virgin Islands	1,409	8,305
Others	143,624	106,970
	<u>475,760</u>	<u>445,338</u>

4. Operating profit

The following items have been credited/charged to the operating profit during the interim period:

	<u>Six months ended 30 June</u>	
	2006	2005
Interest income	41,006	16,458
Gain on disposal of property, plant and equipment and other transponders	25	100
Others	<u>7</u>	<u>4</u>
	<u>41,038</u>	<u>16,562</u>
Salary and other benefits, including directors' remuneration	38,754	33,050
Contributions to retirement benefits schemes	<u>2,317</u>	<u>2,120</u>
Total staff costs	<u>41,071</u>	<u>35,170</u>
Auditors' remuneration	888	450
Depreciation, amortisation and impairment expenses		
- Intangibles assets - Licences	80	-
- Property, plant and equipment	148,193	146,243
Operating leases		
- premises	2,189	3,133
- leasehold land and land use rights	292	292
Net exchange loss	<u>813</u>	<u>193</u>

5. Income tax expense

A significant portion of the Group's profit is treated as earned outside Hong Kong and is not subject to Hong Kong profit tax.

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profit for the period.

Overseas tax, including the Foreign Enterprises Income Tax in the People's Republic of China, is calculated at 5% to 20% of the gross revenue earned in certain of the overseas jurisdictions.

	<u>Six months ended 30 June</u>	
	2006	2005
Current income tax		
- Hong Kong Profits Tax	26,771	23,963
- Overseas taxation	8,703	9,712
Deferred income tax reversal	<u>(6,694)</u>	<u>(7,015)</u>
	<u>28,780</u>	<u>26,660</u>

The Group currently has a tax case in dispute with the Indian tax authorities.

6. Earnings per share

Earnings per share attributable to equity holders of the Company arises from continuing operations as follows:

	Six months ended 30 June (HK\$ per share)	
	2006	2005
Earnings per share for profit from continuing operations attributable to the equity holders of the Company		
- basic	0.61	0.47
- diluted	0.61	0.47

Notes to Editor

AsiaSat, the leading regional satellite operator in Asia, serves over two-thirds of the world's population with its three satellites, AsiaSat 2 at 100.5°E, AsiaSat 3S at 105.5°E and AsiaSat 4 at 122.2°E. The AsiaSat satellite system provides services to both the broadcast and telecommunications industries. Over 240 television channels and 130 radio channels are now delivered by the Company's satellites, reaching over 96 million households, with more than 360 million viewers across the Asia Pacific region. Many telecommunications customers use AsiaSat for services such as public telephone networks, private VSAT networks and high speed Internet and multimedia services. It is a wholly-owned subsidiary of Asia Satellite Telecommunications Holdings Limited, listed on both the Hong Kong (SEHK: 1135HK) and New York (NYSE: SAT) stock exchanges. AsiaSat's two major shareholders are CITIC Group and SES GLOBAL, the world's premier satellite services provider based in Luxembourg. For more information, please visit www.asiasat.com.

Disclaimer

The financial information set out above does not constitute the Group's statutory financial statements for the six months ended 30 June 2006 and 2005, and for the year ended 31 December 2005, but is derived from those financial statements.

Statements in this announcement relating to matters that are not historical facts are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by the forward-looking statements. These factors include (1) risks associated with technology including delayed launches, launch failures and in-orbit failures, (2) regulatory risks, (3) litigation and market risks and other factors, which are described in further detail in the Company's 2005 Annual Report on Form 20-F on file with the U.S. Securities and Exchange Commission.