



ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED ANNOUNCEMENT OF INTERIM RESULTS

FOR THE SIX MONTHS TO 30 JUNE 2010

HONG KONG, 19 August 2010 -- Asia Satellite Telecommunications Holdings Limited ('AsiaSat' - SEHK: 1135), Asia's leading satellite operator, today announces its 2010 interim results for the six months ended 30 June 2010.

GOOD PROGRESS IN DIFFICULT CONDITIONS

Financial Summary:

• Turnover	HK\$689,776,000	+27%
• Profit attributable to equity holders	HK\$305,216,000	+21%
• Earnings per share	HK\$0.78	+20%
• Dividend per share	HK\$0.08	no change

Operational Highlights:

- Construction of new satellite AsiaSat 7 on schedule
- AsiaSat's in-orbit satellites continued to perform well
- Overall utilisation rate remained stable at 65%
- Subsidiary SpeedCast continued to report revenue and profit growth
- New DTH TV joint venture DISH-HD Asia Satellite launched
- Secured significant DTH customer for AsiaSat 5

AsiaSat's Executive Chairman, Peter Jackson, said, "The first half of 2010 was encouraging and our core businesses continue to perform well. The recent global economic downturn had relatively low impact on our industry and on AsiaSat in particular. That said, while not being complacent, we have full confidence in the services we provide as well as in our core financial strength, debt-free balance sheet and market-leading position. These assets will serve us well in the future."

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ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 1135

Announcement of Unaudited Results for the Six Months Ended 30 June 2010

Chairman's Statement

Good progress in difficult conditions

Solid growth

Asia Satellite Telecommunications Company Limited ("AsiaSat") made steady progress through the first half of 2010 in line with the Chairman's outlook in March, and the Company is reporting stronger results for this half year than for the same period in the prior year. The excellent performance was achieved despite the limited global economic recovery and, looking ahead, we continue to be cautiously optimistic about the medium-term future.

The first half of 2010 was marked by several corporate developments. The Board announced that I would retire as AsiaSat's Chief Executive Officer and be appointed as Executive Chairman of the Company, and that the Deputy Chief Executive Officer, William WADE, would be appointed Chief Executive Officer of AsiaSat, both effective on 1 August 2010. Further details are set out below.

Our exciting new Direct-to-Home (DTH) project in Taiwan was launched in June and is making good progress. As the year advances, we continue to see growing interest in High Definition Television (HDTV) in the region and, of course, AsiaSat played its part in facilitating the most watched television event in history, the 2010 FIFA World Cup.

Interim Results

Turnover

Turnover for the first half of 2010 was HK\$690 million (2009 : HK\$545 million), an increase of HK\$145 million, amounting to some 27% over the equivalent period in 2009. The main increase was due to encouraging growth in our core business, revenue generated through a lease agreement for exclusive use of AsiaSat 2, and the leasing of transponders to DISH-HD Asia Satellite Limited ("DISH-HD Asia Satellite"), our Taiwan joint venture.

Our wholly-owned subsidiary, SpeedCast Holdings Limited ("SpeedCast"), also reported an increase with first-half revenue up HK\$24 million as a result of continued strong customer demand.

Operating Expenses

Operating expenses in the first half of 2010, excluding depreciation and amortisation, amounted to HK\$166 million (2009 : HK\$158 million), up by HK\$8 million. This increase was related substantially to in-orbit insurance incurred for our new satellite, launched in the second half of last year.

Profit

The profit attributable to equity holders for the first half of 2010 was HK\$305 million (2009 : HK\$253 million), up by 21%. The increase was achieved mainly from steady growth in revenue, as mentioned above. Despite the impact of the increased operating costs, also noted above, and additional depreciation charges associated with our new satellite, the profit improvement was most encouraging.

Cash Flow

During the period, the Group generated a net cash inflow of HK\$618 million (2009 : outflow of HK\$424 million) after paying capital expenditure of HK\$202 million (2009 : HK\$666 million) and dividends of HK\$125 million (2009 : HK\$121 million). As at 30 June 2010, the Group reported a cash and cash equivalents balance of HK\$2,102 million (31 December 2009 : HK\$1,484 million). The Group continues to be debt free.

Dividend

The Board has resolved to declare an interim dividend of HK\$0.08 per share (2009 : HK\$0.08 per share), the same as last year. The interim dividend is payable on or about 4 November 2010 to equity holders on the share register as at 8 October 2010. The share register will be closed from 4 to 8 October 2010, both days inclusive.

Corporate Developments

In March, the Board announced that I, Peter JACKSON, would retire as Chief Executive Officer of AsiaSat on 31 July 2010, and then be appointed as Executive Chairman of the Company on 1 August 2010 and remain as an Executive Director of the Company until 31 July 2011. The Board noted that, in my new capacity of Executive Chairman, combined with the continuing role as Executive Director of the Company, I would maintain a strategic involvement in the Group and its success. After this transitional period, it is the current intention that I shall retire from the Group on 31 July 2011.

It was also announced that William WADE, previously Deputy Chief Executive Officer of AsiaSat and an Executive Director of the Company, would be appointed by the Board to succeed me as Chief Executive Officer of AsiaSat with effect from 1 August 2010.

Operations Review

NEW SATELLITE

AsiaSat 7

Construction of this new satellite by Space Systems/Loral in the U.S. is progressing on schedule towards its planned launch in late 2011. It is based on the powerful SS/L 1300 series satellite platform with its design and performance similar to that of our most recent satellite, AsiaSat 5.

IN-ORBIT SATELLITES

During the first six months of 2010, AsiaSat's fleet of four in-orbit satellites operated well and continued to deliver outstanding service to our customers.

Three of the Group's satellites are located in geo-stationary orbital slots over the Asian landmass and provide a platform for one of the largest television audiences in the world. This presents AsiaSat customers with unparalleled coverage across two-thirds of the world's population.

AsiaSat 3S was launched in March 1999 and is positioned at 105.5°E. This satellite carries a payload of 28 C-band and 16 Ku-band transponders and its overall utilisation rate as at 30 June 2010 was 71% (31 December 2009 : 71%).

AsiaSat 4 was launched in April 2003 and is positioned at 122°E. This satellite carries 28 C-band and 20 Ku-band transponders including four Hong Kong BSS (broadcast satellite service) transponders. Its overall utilisation rate as at 30 June 2010 was 62% (31 December 2009 : 68%).

AsiaSat 5 was launched in August 2009 to replace AsiaSat 2 and commenced full service in October 2009. It is positioned at 100.5°E. The satellite carries 26 C-band and 14 Ku-band transponders and its overall utilisation rate as at 30 June 2010 was 61% (31 December 2009 : 54%).

AMOS-5i was launched originally as AsiaSat 2 in November 1995 and carries a payload of 24 C-band and 9 Ku-band transponders. This satellite is now contracted to Spacecom, the operator of the AMOS satellite fleet, for its exclusive use and has been re-named and re-positioned to 17°E, where it now serves the African continent.

The total number of transponders on the Group's satellites leased and sold as at 30 June 2010 was 85 (31 December 2009 : 85) with an overall utilisation rate of 65% (31 December 2009 : 65%). This figure includes the four BSS transponders that provide our DTH service.

NEW AND RENEWED CONTRACTS

In the first six months of 2010, a number of new contracts were secured with a total value of HK\$494 million (2009 : HK\$164 million) and renewed contracts were valued at HK\$266 million (2009 : HK\$250 million). Together, these amounted to HK\$760 million (2009 : HK\$414 million). It is pleasing that the bulk of this total came from new business generated during the period.

A contract of particular note was a multiple transponder agreement that we signed on 30 December 2009 with Vietnam Multimedia Corporation (VTC), Vietnam's leading national broadcaster and operator of digital broadcasting. VTC is using AsiaSat's high-powered Ku-band transponders to set up a new premium DTH platform supporting up to 30 High Definition (HD) and 70 Standard Definition (SD) television channels, country wide.

Other contracts included the distribution of the 2010 Winter Olympic Games in Vancouver to Asia and Australasia via AsiaSat 5; new Urdu and Sindhi language channels for Kawish TV Network (KTN) of Pakistan; and the renewal by China's official press agency, Xinhua News Agency, of its long-term Ku-band agreement.

World Cup fever and HD came together from 11 June to 11 July 2010 when Eurovision, the premier distributor of sports and news content for the world's top broadcasters and media platforms, leased additional C-band transponders on AsiaSat 5. This added capacity was needed to support the HD and SD broadcasts of all 64 FIFA World Cup tournament matches. The Eurovision signals from South Africa were transported via its dedicated fibre network to AsiaSat's Tai Po Earth Station in Hong Kong for uplink to AsiaSat 5, which provided broadcast coverage for the whole Asia-Pacific region.

MARKET REVIEW

We indicated in our 2009 Annual Report that the satellite industry in Asia might escape the worst of the global economic downturn. This proved to be correct in the first half of 2010 and is demonstrated in the positive interim results.

While there is still more capacity in the market than demand, the broadcasting industry's requirements for satellite communications are traditionally more recession-proof than other sectors of the economy. They are also our primary demand driver. Today, as market leader in the Asia-Pacific region, AsiaSat serves over 100 broadcasters, delivering some 300 television channels region wide, and we continue to win new business.

We also continue to see growing regional demand for HDTV, and this represents an area of significant potential for AsiaSat as the region catches up with the more developed U.S. and European markets. In addition we are now seeing some early activity in Three Dimensional Television (3D TV) as it gains traction, and 3D TV sets are increasingly available in retail outlets across the region.

The growing number of new DTH satellite television and Internet Protocol Television (IPTV) platforms serving Asia gives further grounds for medium-term optimism. It is these platforms that are driving the launch of new television channels in the region, despite the sluggish economies. Regrettably, there are still regulatory barriers to free competition in certain regional DTH markets but we believe that, in due course, consumer demand and commercial considerations will result in governments lifting restrictions on foreign investment. This will further stimulate growth.

Underpinning AsiaSat's success and its future in Asia Pacific are the inherent advantages that satellites have over terrestrial broadcasting systems. In particular, satellites can achieve ubiquitous coverage to even the most remote areas. This allows them to provide backbone connections for internet and mobile telephony especially across wide-spread regions with disparate centres of population, as in our region. We believe that this driver will become increasingly relevant in the long term as governments of developing nations look to expand their communications infrastructure.

Business Development

SUBSIDIARIES

SpeedCast

SpeedCast, a wholly-owned subsidiary of AsiaSat, provides two-way very small aperture terminal (VSAT) services and broadband backbone access to customers in countries in Asia and beyond.

For the first six months of 2010, the turnover of SpeedCast was HK\$95 million (2009 : HK\$71 million), an increase of 34%, and net profit was HK\$8 million (2009 : HK\$5 million). We are pleased with this company's positive growth.

DISH-HD Asia Satellite

DISH-HD Asia Satellite, a joint venture between AsiaSat and EchoStar Corporation, was formed in June 2009 to deliver DTH satellite television services in Taiwan and other targeted regional markets. The company officially launched its services in Taiwan in June 2010 and is currently providing its customers with a choice of 36 HD or enhanced SD channels.

For the first six months of 2010, DISH-HD Asia Satellite incurred a loss of some HK\$54 million (2009 : Nil), of which AsiaSat's share was approximately HK\$27 million (2009 : Nil).

Outlook

The first half of 2010 was encouraging and, as we move into the second half, our core businesses continue to perform well. Core satellite revenue at 30 June 2010 was substantially up; our subsidiary, SpeedCast, is making excellent progress; and our new partnership with EchoStar is off to a good start. Behind these achievements is the reliability of AsiaSat's satellite fleet that delivers consistently high-quality service to our customers. This performance is recognised by the market as we continue to win industry awards for excellence.

I have referred to the recent global economic downturn and to the relatively low impact that it had on our industry and on AsiaSat in particular. That said, while not being complacent, we have full confidence in the services we provide as well as in our core financial strength, debt-free balance sheet and market-leading position. These assets will serve us well in the future.

Acknowledgements

As I assume the new position of Executive Chairman, I would like to thank Sherwood DODGE for his leadership and valuable contribution to the Company while serving as Chairman of the Board since June 2009.

I would also like to thank the Board of Directors for their confidence in me and for their kind remarks in their March announcement. In turn, on behalf of the Board of Directors and the management and staff of the Company, I would like to congratulate William WADE on his appointment to Chief Executive Officer.

In conclusion, I thank our customers, suppliers and equity holders for their unfailing support and encouragement. I thank my fellow Directors for their valuable contribution, and I thank the staff members of the Group whose outstanding work and commitment is responsible for AsiaSat's continued market leadership in the Asia-Pacific region.

Peter JACKSON
Executive Chairman

Hong Kong, 19 August 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Unaudited	
		Six months ended 30 June	
Note	2010	2009	
	HK\$'000	HK\$'000	
Sales	4	689,776	544,861
Cost of services		<u>(247,245)</u>	<u>(177,637)</u>
Gross profit		442,531	367,224
Other gains, net		17,637	12,722
Administrative expenses		<u>(90,289)</u>	<u>(101,728)</u>
Operating profit	5	369,879	278,218
Finance costs		(51)	(56)
Share of losses of a jointly controlled entity		<u>(27,198)</u>	<u>-</u>
Profit before income tax		342,630	278,162
Income tax expense	6	<u>(37,484)</u>	<u>(26,358)</u>
Profit and total comprehensive income for the period		<u>305,146</u>	<u>251,804</u>
Profit and total comprehensive income attributable to:			
- equity holders of the Company		305,216	253,488
- non-controlling interests		<u>(70)</u>	<u>(1,684)</u>
		<u>305,146</u>	<u>251,804</u>
		HK\$	HK\$
		per share	per share
Earnings per share for profit attributable to the equity holders of the Company			
- basic	7	<u>0.78</u>	<u>0.65</u>
- diluted	7	<u>0.78</u>	<u>0.65</u>
		HK\$'000	HK\$'000
Interim dividend		<u>31,296</u>	<u>31,296</u>

Note 1 to 7 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at	
	30 June 2010 Unaudited HK\$'000	31 December 2009 Audited HK\$'000
ASSETS		
Non-current assets		
Leasehold land and land use rights	21,575	21,866
Property, plant and equipment	3,807,272	3,823,914
Intangible assets	38,675	38,675
Unbilled receivable	128,711	137,553
Interest in a jointly controlled entity	120,460	132,058
Amount paid to tax authority	221,201	204,810
Total non-current assets	4,337,894	4,358,876
Current assets		
Tax recoverable	19,816	32,363
Inventories	3,543	3,741
Trade and other receivables	265,889	410,925
Cash and cash equivalents	2,101,869	1,483,712
Total current assets	2,391,117	1,930,741
Total assets	6,729,011	6,289,617
EQUITY		
Equity attributable to owners of the Company		
Ordinary shares	39,120	39,120
Reserves		
Retained earnings	5,630,338	5,449,879
Other reserves	10,474	7,553
	5,679,932	5,496,552
Non-controlling interests	1,308	1,378
Total equity	5,681,240	5,497,930
LIABILITIES		
Non-current liabilities		
Deferred income tax liabilities	239,335	220,537
Deferred revenue	117,064	122,504
Obligations under finance leases	7	7
Other amounts received in advance	159,052	-
Other payables	2,056	2,006
Total non-current liabilities	517,514	345,054
Current liabilities		
Construction payables	10,251	58,162
Other payables and accrued expenses	94,506	158,003
Deferred revenue	348,886	152,172
Obligations under finance leases	5	10
Current income tax liabilities	76,488	78,165
Dividend payable	121	121
Total current liabilities	530,257	446,633
Total liabilities	1,047,771	791,687
Total equity and liabilities	6,729,011	6,289,617
Net current assets	1,860,860	1,484,108
Total assets less current liabilities	6,198,754	5,842,984

Note 1 to 7 form an integral part of this condensed consolidated interim financial information.

Notes

1. Independent review

The unaudited condensed consolidated accounts of the Company and its subsidiary companies for the six months ended 30 June 2010 have been reviewed by the Company's auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The auditor's independent review report will be included in the Interim Report to shareholders.

2. Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2010 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2009, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

3. Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2009, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2010:

HKFRSs (Amendments)	Improvements to HKFRSs (2008 and 2009)
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transaction
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners

The adoption of these new and revised standards, amendments and interpretations did not result in any substantial changes to the accounting policies and financial statements of the Group.

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 January 2010 and have not been early adopted:

HKFRS 9	Financial Instruments ²
HKAS 24 (Revised)	Related Party Disclosures ¹
HKAS 32 (Amendment)	Classification of Rights Issues ¹
HK(IFRIC) Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ¹
HK(IFRIC) Int 19	Extinguishing Financial Liabilities with Equity Instruments ¹
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ¹
HKFRSs (Amendments)	Improvements to HKFRSs (2010) ¹

¹ Effective for the Group for annual periods beginning on or after 1 January 2011

² Effective for the Group for annual periods beginning on or after 1 January 2013

The Group is in the process of assessing the impact of these standards or interpretations and does not expect there will be material impact on the consolidated financial statements of the Group.

Notes

4. Sales and segment information

a) Sales

The Group's sales are analysed as follows:

	Six months ended 30 June	
	2010	2009
	HK\$'000	HK\$'000
Income from provision of satellite transponder capacity		
- recurring	580,570	451,467
- non-recurring	227	11,128
Sales of satellite transponder capacity	8,909	8,291
Income from provision of broadband access services and sale of equipment	94,941	71,470
Other revenue	5,129	2,505
	689,776	544,861

b) Segment information

The chief operating decision maker has been identified as the Chief Executive Officer of the Group. The Chief Executive Officer reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer, who considers the business from a product perspective. In other words, management assesses the performance based on a measure of profit after taxation of the following businesses:

- operation, maintenance and provision of satellite telecommunication systems for broadcasting and telecommunication;
- provision of broadband access services; and
- provision of Direct-to-Home satellite television service through the jointly controlled entity.

Sales between segments are carried out at arm's length in a manner similar to transactions with third parties. The revenue from external parties reported to the Chief Executive Officer is measured in a manner consistent with the condensed consolidated statement of comprehensive income.

The amounts provided to the Chief Executive Officer with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segments.

The accounting policies of the reportable segments are the same as the Group's accounting policies.

Notes

4. Sales and segment information (continued)

b) Segment information (continued)

An analysis of the Group's reportable segments are as follows:

	Six months ended 30 June 2010				
	Provision of satellite telecommunication systems for broadcasting and telecommunication HK\$'000	Broadband access services HK\$'000	Direct-to-Home satellite television service HK\$'000	Inter-segment elimination HK\$'000	Consolidated HK\$'000
Sales to external customers	521,848	94,941	-	-	616,789
Sales to related parties	67,858	-	-	-	67,858
Inter-segment sales	34,963	404	-	(35,367)	-
Other revenue	6,322	-	-	(1,193)	5,129
Total	630,991	95,345	-	(36,560)	689,776
Operating profit	361,528	8,351	-	-	369,879
Finance costs	(46)	(5)	-	-	(51)
Share of losses of a jointly controlled entity	-	-	(27,198)	-	(27,198)
Profit before income tax	361,482	8,346	(27,198)	-	342,630
Income tax expense	(37,484)	-	-	-	(37,484)
Profit for the period	323,998	8,346	(27,198)	-	305,146
Depreciation and amortisation	166,439	4,776	-	-	171,215
Interest income	16,848	-	-	-	16,848
Capital expenditure	147,046	7,812	-	-	154,858
As 30 June 2010:					
Interest in a jointly controlled entity	-	-	120,460	-	120,460
Total assets	6,544,816	75,748	120,460	(12,013)	6,729,011
Total liabilities	1,021,602	38,182	-	(12,013)	1,047,771

Notes

4. Sales and segment information (continued)

b) Segment information (continued)

	Six months ended 30 June 2009				Consolidated HK\$'000
	Provision of satellite telecommunication systems for broadcasting and telecommunication HK\$'000	Broadband access services HK\$'000	Direct-to- Home satellite television service HK\$'000	Inter-segment elimination HK\$'000	
Sales to external customers	461,441	71,470	-	-	532,911
Sales to related parties	9,445	-	-	-	9,445
Inter-segment sales	30,810	-	-	(30,810)	-
Other revenue	3,374	-	-	(869)	2,505
Total	505,070	71,470	-	(31,679)	544,861
Operating profit	273,457	4,761	-	-	278,218
Finance costs	(44)	(12)	-	-	(56)
Profit before income tax	273,413	4,749	-	-	278,162
Income tax expense	(26,358)	-	-	-	(26,358)
Profit for the period	247,055	4,749	-	-	251,804
Depreciation and amortisation	117,362	4,317	-	-	121,679
Interest income	12,241	7	-	-	12,248
Capital expenditure	704,309	7,442	-	-	711,751
At 30 June 2009:					
Total assets	5,960,151	57,223	-	(15,377)	6,001,997
Total liabilities	716,096	37,287	-	(15,377)	738,006
At 31 December 2009:					
Interest in a jointly controlled entity	-	-	132,058	-	132,058
Total assets	6,105,091	65,412	132,058	(12,944)	6,289,617
Total liabilities	768,439	36,192	-	(12,944)	791,687

The Group is domiciled in Hong Kong. The sales to customers in Hong Kong and Greater China for the six months ended 30 June 2010 are HK\$133,592,000 (for the six months ended 30 June 2009 : HK\$123,826,000) and HK\$80,848,000 (for the six months ended 30 June 2009 : HK\$68,903,000) respectively, and the total sales to customers in other countries is HK\$475,336,000 (for the six months ended 30 June 2009 : HK\$352,132,000).

For the purpose of classification, the country where the customer (both external customer and related party) is incorporated is deemed to be the source of sales. However, the Group'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.

For the six months ended 30 June 2010, sales of approximately HK\$94,982,000 (for the six months ended 30 June 2009 : HK\$95,013,000) are derived from a single external customer. These revenues are attributable to the provision of satellite telecommunication systems for broadcasting and telecommunication.

Notes

5. Operating profit

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

	Six months ended 30 June	
	2010	2009
	HK\$'000	HK\$'000
Interest income	16,848	12,248
Net gain on disposals of property, plant and equipment other than transponders	334	240
Others	455	234
Other gains, net	17,637	12,722
Salary and other benefits, including directors' remuneration	61,933	57,412
Pension costs – defined contribution plans	3,080	3,046
Total staff costs	65,013	60,458

	Six months ended 30 June	
	2010	2009
	HK\$'000	HK\$'000
Auditors' remuneration	675	732
Provision for impairment		
- Intangible assets – Licences	-	1,166
- Property, plant and equipment	-	2,781
- Trade receivables	10,901	11,280
- Other receivables	243	1,943
Depreciation and amortisation		
- Intangible assets – Licences	-	80
- Property, plant and equipment	171,215	121,599
Operating leases		
- premises	4,876	4,666
- leasehold land and land use rights	291	291
Net exchange loss	289	1,543

6. 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 profits tax. Hong Kong profits tax has been provided at the rate of 16.5% (2009 : 16.5%) 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 7% to 20% of the gross revenue earned in certain overseas jurisdictions.

	Six months ended 30 June	
	2010	2009
	HK\$'000	HK\$'000
Current income tax		
- Hong Kong profits tax	12,784	11,985
- Overseas taxation	5,902	4,838
Deferred income tax charge	18,798	9,535
	37,484	26,358

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

Notes

7. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2010 HK\$'000	2009 HK\$'000
Profit attributable to equity holders of the Company	<u>305,216</u>	<u>253,488</u>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (in thousands)	<u>389,864</u>	<u>390,503</u>
Basic earnings per share (HK\$ per share)	<u>0.78</u>	<u>0.65</u>

The weighted average number of ordinary shares shown above was determined after deducting the shares held under the Share Award Scheme.

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has restricted shares under the Share Award Scheme which would have a dilutive effect. The calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of outstanding restricted shares. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the restricted shares being fully vested.

	Six months ended 30 June	
	2010 HK\$'000	2009 HK\$'000
Profit attributable to equity holders of the Company	<u>305,216</u>	<u>253,488</u>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (in thousands)	<u>389,864</u>	<u>390,503</u>
Effect of unvested awarded shares (in thousands)	<u>1,163</u>	<u>949</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share (in thousands)	<u>391,027</u>	<u>391,452</u>
Diluted earnings per share (HK\$ per share)	<u>0.78</u>	<u>0.65</u>

- End -

Notes to Editor

Asia Satellite Telecommunications Company Limited (AsiaSat), the leading regional satellite operator in Asia, serves over two-thirds of the world's population with its powerful satellite fleet, comprising AsiaSat 3S at 105.5°E, AsiaSat 4 at 122°E and AsiaSat 5 at 100.5°E. The AsiaSat satellite fleet provides services to both the broadcast and telecommunications industries. Over 400 television and 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 broadband multimedia services. It is a wholly-owned subsidiary of Asia Satellite Telecommunications Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited (Stock Code: 1135). For more information, please visit www.asiasat.com