MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2009

Announcement

The Board of Directors of MEASAT Global Berhad ('MEASAT Global' or 'Company') hereby announces the following unaudited interim consolidated results for the fourth quarter ended 31 December 2009.

Unaudited Interim Consolidated Income Statements

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED 31.12.2009	QUARTER ENDED 31.12.2008	**YEAR ENDED 31.12.2009**	YEAR ENDED 31.12.2008
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Revenue	8	**69,702**	53,416	**241,670**	195,946
Cost of services		**(31,188)**	(26,873)	**(101,851)**	(108,618)
Gross profit		**38,514**	26,543	**139,819**	87,328
Other operating income		**888**	1,175	**3,423**	4,637
Selling and administrative expenses:					
- Foreign exchange translation differences		**(1,889)**	1,023	**(2,513)**	7,784
- Others		**(17,893)**	(12,784)	**(60,279)**	(43,885)
Profit from operations	8	**19,620**	15,957	**80,450**	55,864
Finance cost :					
- Interest and finance charges		**(9,542)**	(9,883)	**(36,932)**	(42,012)
- Foreign exchange translation differences		**14,042**	(2,592)	**9,644**	(51,297)
Profit/(Loss) from ordinary activities before taxation		**24,120**	3,482	**53,162**	(37,445)
Taxation	17	**(3,128)**	(421)	**124,392**	(693)
Profit/(Loss)for the financial year		**20,992**	3,061	**177,554**	(38,138)
Earnings/(Loss)per share (sen):					
- Basic	26	**5.38**	0.79	**45.53**	(9.78)

The unaudited interim consolidated income statement should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008.

MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2009

Unaudited Interim Consolidated Balance Sheet

	Note	**AS AT 31.12.2009 (Unaudited) RM'000**	AS AT 31.12.2008 (Audited) RM'000
Non-Current Assets			
Property, Plant and Equipment		**1,351,997**	1,315,484
Prepaid Lease		**1,490**	765
Goodwill		**1,186,589**	1,186,589
Deferred Taxation		**315,540**	191,141
		2,855,616	2,693,979
Current Assets			
Trade and Other Receivables		**21,182**	28,082
Deposits with Licensed Banks		**37,847**	7,567
Cash and Bank Balances		**101,226**	121,853
		160,255	157,502
Current Liabilities			
Other Payables	22	**141,124**	116,830
Borrowings (secured and interest bearing)	21	**160,598**	803,136
Taxation		**621**	621
		302,343	920,587
Net Current Liabilities		**(142,088)**	(763,085)
Non-Current Liabilities			
Other Payables	22	**148,372**	178,571
Borrowings (secured and interest bearing)	21	**635,279**	-
		783,651	178,571
		1,929,877	1,752,323
Capital and Reserves			
Share Capital		**304,148**	304,148
Reserves			
- Merger Reserve		**554,802**	554,802
- General Reserves		**15,899**	15,899
- Retained Earnings		**1,055,028**	877,474
		1,929,877	1,752,323
		RM	RM
Net Assets per share attributable to ordinary equity holders of the Company		**4.95**	4.49

The unaudited interim consolidated balance sheet should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008.

MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2009

Unaudited Interim Consolidated Statement of Changes in Equity

	Issued and fully paid ordinary shares of RM0.78		Non-distributable	Distributable		
	Number of shares	Nominal value	Merger reserve	General reserves	Retained earnings	Total
	('000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Year ended 31/12/2009						
Balance as at 1 January 2009	389,933	304,148	554,802	15,899	877,474	1,752,323
-Net Profit for the financial year	-	-	-	-	177,554	177,554
Balance as at 31 December 2009	389,933	304,148	554,802	15,899	1,055,028	1,929,877
Year ended 31/12/2008						
Balance as at 1 January 2008 (As previously stated)	389,933	304,148	554,802	15,899	718,495	1,593,344
Change in accounting policy - effects of adopting FRS 112	-	-	-	-	197,117	197,117
Balance as at 1 January 2008 (As restated)	389,933	304,148	554,802	15,899	915,612	1,790,461
-Net Loss for the financial year	-	-	-	-	(38,138)	(38,138)
Balance as at 31 December 2008	389,933	304,148	554,802	15,899	877,474	1,752,323

The unaudited interim consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008.

MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2009

Unaudited Interim Consolidated Cash Flow Statement

	CUMULATIVE QUARTER	
	Year Ended 31.12.2009 (Unaudited)	Year Ended 31.12.2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) for the financial year	**177,554**	(38,138)
Adjustments for :		
- Depreciation of property, plant and equipment	**81,567**	88,540
- Taxation	**(124,392)**	693
- Interest income	**(935)**	(2,034)
- Interest and finance charges	**36,932**	42,012
- Unrealised foreign exchange (gain)/loss	**(10,786)**	37,006
- Realised foreign exchange loss on borrowings	**3,654**	5,930
- Allowance for doubtful debts	**4,238**	-
- Assets written off	**3**	-
- Loss from disposal of property plant and equipment	**72**	-
	167,907	134,009
Increase in trade and other receivables	**254**	(6,779)
Decrease in trade and other payables	**25,214**	51,563
Net cash from operations	**193,375**	178,793
-Interest income received	**966**	2,027
-Taxes (paid)/refund	**(7)**	789
Net cash flow from operating activities	**194,334**	181,609
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(113,735)**	(73,664)
Proceeds from disposal of property, plant and equipment	**-**	12
Net cash flow used in investing activities	**(113,735)**	(73,652)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from repayments of borrowings	**(6,460)**	(5,680)
Decrease/(increase) in debt service reserve accounts	**34,438**	(35,536)
Interest expense paid	**(34,984)**	(48,252)
Payments to non-trade payables	**(27,882)**	(21,161)
Payment of quarterly commitment fees	**(622)**	(755)
Net cash flow used in financing activities	**(35,510)**	(111,384)
Net increase/(decrease) in cash and cash equivalents	**45,089**	(3,427)
Currency translation differences	**(998)**	8,627
Cash and cash equivalents at beginning of the year	**30,266**	25,066
Cash and cash equivalents at end of the year	**74,357**	30,266
Deposits with licensed banks	**37,847**	7,567
Cash and bank balances	**101,226**	121,853
	139,073	129,420
Deposit in debt service reserve accounts	**(64,716)**	(99,154)
	74,357	30,266

The unaudited interim consolidated cash flow statement should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008.

PART B – Explanatory Notes in Compliance with Listing Requirements of Bursa Malaysia Securities Berhad Under Part A of Appendix 9B

1. Basis of preparation

The quarterly interim financial report of MEASAT Global and its subsidiaries (the "Group") has been prepared in accordance with:

i) Financial Reporting Standards ("FRS") 134 - Interim Financial Reporting; and
ii) Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements.

The quarterly interim financial report should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008. The accounting policies adopted for the quarterly interim financial report as at 31 December 2009 are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2008.

2. Qualification of preceding annual financial statements

There was no audit qualification to the preceding annual audited financial statements of the Group. The audit report of the Group for the preceding annual financial statements, however, included an emphasis of matter on the basis of preparation of the financial statements which disclosed that the Group did not meet certain financial covenants stipulated under the terms of its borrowings mainly due to:
i) unrealised foreign translation losses; and,
ii) the delay of the MEASAT-3a ("M3a") launch.

Notwithstanding the foregoing, the Directors were of the opinion that it was appropriate for the financial statements of the Group to be prepared on a going concern basis, after the Group had appointed a financial advisor to assist in restructuring the terms of borrowings, having obtained waiver from the lenders on the breach of the financial covenants to enable continued drawdown, and considering the fact that the Group had successfully launched M3a on 22 June 2009.

On 21 December 2009, the Group has successfully renegotiated the borrowings and therefore the reason for the modification is no longer in existence.

3. Seasonal / cyclical factors

The operations of the Group were not affected by seasonal or cyclical factors during the quarter under review.

4. Unusual items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows during the quarter under review.

5. Material changes in estimates of amounts reported

There were no changes in estimates of amounts reported in prior financial years that had a material effect in the quarter under review.

PART B – Explanatory Notes in Compliance with Listing Requirements of Bursa Malaysia Securities Berhad Under Part A of Appendix 9B

6. Movements in debt and equity securities

During the quarter under review, there were no issuances, repurchases, resale and repayments of debt and equity securities.

7. Dividends paid

There were no dividends paid during the quarter ended 31 December 2009.

8. Segment results and reporting

The main business segment of the Group is its satellite operations. Segmental reporting for the current quarter is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/12/2009	QUARTER ENDED 31/12/2008	**PERIOD ENDED 31/12/2009**	PERIOD ENDED 31/12/2008
	RM'000	RM'000	**RM'000**	RM'000
Revenue				
Satellite operations	**69,702**	53,416	**241,670**	195,946
Segment Results				
Satellite operations	**18,732**	14,784	**77,027**	51,331
Rental income	**622**	622	**2,488**	2,486
Interest income	**266**	551	**935**	2,034
Waiver of debt	**-**	-	**-**	13
Profit from operations	**19,620**	15,957	**80,450**	55,864

9. Valuations of property, plant and equipment

There were no revaluations of property, plant and equipment during the quarter ended 31 December 2009. As at 31 December 2009, property, plant and equipment were stated at cost less accumulated depreciation.

10. Material events subsequent to the end of the financial period

There were no material events subsequent to the end of the quarter.

11. Changes in the composition of the Group

There were no changes to the composition of the Group during the current quarter.

PART B – Explanatory Notes in Compliance with Listing Requirements of Bursa Malaysia Securities Berhad Under Part A of Appendix 9B

12. Contingent liabilities and contingent assets

On 9 April and 12 June 2007, the Malaysian Communications and Multimedia Commission ("MCMC") had notified the Group that it is required to contribute an accumulated amount of RM31.5 million to the Universal Service Provision ("USP") Fund for the period 2003 to 2006. The potential USP claims for the period 2007 to 2009, while have yet to be made by MCMC, are estimated to be RM37.7 million.

The Group has taken legal advice on the applicability of this requirement to the Group and has appealed against the MCMC's decision that the Group be liable to make payment towards the USP Fund pursuant to the Communications and Multimedia Act 1998 and the USP Regulations.

In view of the opinion received, the Directors are of the view that no provision for this potential liability is required to be made.

13. Capital commitments

Capital commitments for property, plant and equipment not provided for in the financial statements as at 31 December 2009 are as follows:

	RM'000
Approved and contracted for	588
Approved but not contracted for	1,167
	1,755

14. Review of Performance

(A) Review of performance of the current quarter ("4Q 2009") against the immediate preceding quarter ("3Q 2009").

The Group's results for 4Q 2009, as compared to 3Q 2009, were impacted by:

- An increase in Revenue of RM6.8 million from the commencement of commercial operations of M3a, which was brought into service on 20 July 2009;
- A reduction in professional fees of RM2.0 million due to reduced legal and business development activities during the quarter; offset by,
- Additional depreciation charges of RM1.6 million relating to the first full quarter operation of M3a; and
- A deferred tax charge of RM3.1 million due to the utilization of capital allowances previously recognised as deferred tax assets.
- RM4.2 million has been provided for doubtful debts in respect to a customer receivable.

14. Review of Performance (Continued)

(A) Review of performance of the current quarter ("4Q 2009") against the immediate preceding quarter ("3Q 2009") (continued).

The Group's 4Q 2009 results were also impacted by the depreciation of the USD against the Ringgit. During the quarter, this resulted in (i) a foreign exchange translation loss on USD held cash deposits of RM1.9 million (versus a loss of RM1.5 million in 3Q 2009); and, (ii) a foreign exchange translation gain on USD denominated borrowings and performance incentives of RM14.0 million (versus a gain of RM13.4 million in 3Q 2009). The Group's 4Q 2009 results as compared to 3Q 2009, after the removal of this foreign exchange effect, is shown below:

	Results adjusted to remove impact of movements in USD:RM Exchange Rate	
	QUARTER ENDED 31/12/2009	QUARTER ENDED 30/9/2009
	RM'000	RM'000
Revenue	**69,702**	62,932
Profit from operations	**21,509**	20,530
Profit before tax	**11,967**	11,049
Profit after tax	**8,839**	149,077

The Group will continue to recognise unrealised foreign exchange translation effects on a quarterly basis. Over the life of the satellites, with over 90% of contracted revenue and debts denominated in USD, the Group operates with a natural hedge against movements in the USD:Ringgit exchange rate.

During 4Q 2009 the depreciation of the USD increased the Group's earnings by 3.12 sen per share.

(B) Review of performance of the current year-to-date ("YTD 4Q 2009") against the preceding year-to-date ("YTD 4Q 2008").

The performance of YTD 4Q 2009 as compared to YTD 4Q 2008 reflects: (i) the launch and initial operations of M3a which impacted the Group's revenue, insurance costs and satellite depreciation costs; and, (ii) the re-tasking of M2 into a new operational role at 5.7E as AFRICASAT-2 ("A2").

The YTD 4Q 2009 results were also impacted by the fluctuations in the USD:Ringgit exchange rate. The Group's YTD 4Q 2009 results as compared to YTD 4Q 2008, after the removal of this foreign exchange effect, is shown below:

PART B – Explanatory Notes in Compliance with Listing Requirements of Bursa Malaysia Securities Berhad Under Part A of Appendix 9B

14. Review of Performance (Continued)

(B) Review of performance of the current year-to-date ("YTD 4Q 2009") against the preceding year-to-date ("YTD 4Q 2008") (continued).

	Results adjusted to remove impact of movements in USD:RM Exchange Rate	
	YTD ENDED 31/12/2009	YTD ENDED 31/12/2008
	RM'000	RM'000
Revenue	**241,670**	195,946
Profit from operations	**82,963**	48,080
Profit before tax	**46,031**	6,068
Profit after tax	**170,423**	5,375

(C) Review of performance of the current quarter ("4Q 2009") against the corresponding preceding year quarter ("4Q 2008").

The performance of 4Q 2009 as compared to 4Q 2008 reflects: (i) the initial operations of M3a; and, (ii) the re-tasking of M2 into a new operational role at 5.7E as A2.

The 4Q 2009 results were also impacted by the fluctuations in the USD:Ringgit exchange rate. The Group's 4Q 2009 results as compared to 4Q 2008, after the removal of this foreign exchange effect is shown below:

	Results adjusted to remove impact of movements in USD:RM Exchange Rate	
	QUARTER ENDED 31/12/2009	QUARTER ENDED 31/12/2008
	RM'000	RM'000
Revenue	**69,702**	53,416
Profit from operations	**21,509**	14,934
Profit before tax	**11,967**	5,051
Profit after tax	**8,839**	4,630

15. Prospects relating to financial year 2010

The Directors expect the Group results for the financial year ending 31 December 2010 to benefit from the continuing operations of MEASAT-3 and AFRICASAT-1; the first full year earnings from M3a; and the initial contribution from A2 which is scheduled to commence full commercial operations at its new orbital slot in March 2010.

PART B – Explanatory Notes in Compliance with Listing Requirements of Bursa Malaysia Securities Berhad Under Part A of Appendix 9B

16. Variance to profit forecast

Not applicable.

17. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/12/2009	QUARTER ENDED 31/12/2008	**YEAR ENDED 31/12/2009**	YEAR ENDED 31/12/2008
	RM'000	RM'000	**RM'000**	RM'000
In respect of current period:				
Malaysian income tax				
- Current	**(2)**	(2)	**(7)**	(7)
Deferred taxation				
- Current	**(3,126)**	(419)	**124,399**	(686)
	(3,128)	(421)	**124,392**	(693)

The current income tax of the Group is in relation to tax charge on rental income. There are no taxation charges in respect of business income due to the utilisation of capital allowance and investment allowances.

The tax savings for the year ended 31 December 2009 arising from the utilisation of capital allowances and investment allowances amounts to RM38.5 million.

The effective tax rate for the quarter/year ended 31 December 2009 is different from the Malaysian Tax Rate of 25% due to the foreign translation gains not subject to tax and the recognition of deferred tax asset on investment tax allowance for M3a.

18. Profit/(loss) on sales of unquoted investments and/or properties

There were no sales of unquoted investments and/or properties during the quarter under review.

19. Quoted securities

There were no quoted securities acquired or disposed during the quarter under review.

20. Status of corporate proposal announced

There were no corporate proposals announced but not completed at the date of issue of this quarterly report.

PART B – Explanatory Notes in Compliance with Listing Requirements of Bursa Malaysia Securities Berhad Under Part A of Appendix 9B

21. Borrowings (Secured and interest bearing)

The details of the borrowings as at 31 December 2009 are as follows:

	Total as at 31/12/2009	RM Facilities	USD Facilities	
	RM'000	RM'000	USD'000	RM'000 equivalent
Current Liability				
Syndicated Term Loan Facilities	51,891	21,190	8,965	30,701
Export Credit Agency Loan Facilities	108,707	-	31,744	108,707
	160,598	21,190	40,709	139,408
Non-current Liability				
Syndicated Term Loan Facilities	96,417	37,831	17,108	58,586
Export Credit Agency Loan Facilities	538,862	-	157,355	538,862
	635,279	37,831	174,463	597,448
Total	795,877	59,021	215,172	736,856

The borrowings represent an equivalent sum of RM823.4 million, less unamortised costs of RM27.5 million. These are secured against assets of a subsidiary and a corporate guarantee from the Company.

During the quarter, the Group also completed the restructuring of the borrowings. As such, these borrowings have been classified as a current and non-current liability in accordance to the revised repayment structure.

22. Other payables

	Total as at 31/12/2009 RM'000
Current liability	
Performance incentives	34,921
	34,921
Non current liability	
Performance incentives	107,277
Deferred payment	41,094
	148,371
Total	183,292

Included in other payables are unsecured performance incentives ("PI") of USD41.5 million (equivalent to RM142.2 million) and a deferred payment of USD12.0 million (equivalent to RM41.1 million), for M3.

22. Other payables (Continued)

USD31.5 million (equivalent to RM107.9 million) of the PI bears interest at 7% per annum which is payable in arrears commencing 1 January 2007 and the principal is repayable in twenty four (24) equal instalments over a period of 6 years commencing 1 January 2008.

USD10.0 million (equivalent to RM34.3 million) of the PI bears interest at 7% per annum payable in arrears commencing 25 January 2007 and repayable in 60 equal instalments over a period of 15 years.

The deferred payment is interest free and is repayable in a single payment on 11 December 2011.

23. Off balance sheet financial instruments

The Group manages its exposure to market rate movements on its financial liability through the use of the derivative financial instruments which includes interest rate and cross currency swap agreements.

The details of the derivative financial instruments that the Group has entered into are as follows:

Off-balance sheet instruments which were entered into by a subsidiary based on the underlying liability of the Syndicated Term Loan Facilities disclosed in note 21 are as follows:

a) Interest rate swap ("IRS")
IRS agreements with a total notional principal of USD105 million to mitigate the risks of interest rate fluctuations.

b) Cross currency swap ("CCS")
CCS agreements with total notional principal of RM130 million to hedge local currency borrowings to mitigate the foreign currency exchange risks.

All the above financial instruments were executed with creditworthy financial institutions with a view to limit the credit risk exposure of the Group.

24. Changes in material litigation

On 3 September 2008, PT Ayunda Prima Mitra ("PT APM"), a limited liability company, commenced proceedings ("Suit") in the South Jakarta District Court ("Court"), Indonesia against the Group's wholly-owned subsidiary, MEASAT Satellite Systems Sdn Bhd ("MEASAT") and 12 other defendants.

PT APM sought among other reliefs (i) to prohibit MEASAT from ceasing the provision of transponder capacity on the M2 satellite to PT First Media Tbk, an affiliate company of PT APM; (ii) to prohibit MEASAT from entering into any cooperation with another party relating to subscriber Pay-TV in Indonesia; and (iii) compensation from the defendants on a joint and several liability basis.

24. Changes in material litigation (Continued)

As reported in Quarterly Report for the Third Quarter, on 17 September 2009 the Court dismissed the Suit on the ground that PT APM has no legal standing to bring the action against MEASAT and the twelve other defendants.

MEASAT has since been informed by its external counsel in Indonesia that PT APM has filed a notice of appeal against the decision of the Court. MEASAT has not been served with the notice of appeal as at the date of this Report.

25. Dividends

No dividends have been recommended or declared for the current quarter ended 31 December 2009.

26. Earnings per Share

Basic earnings per share of the Group is calculated by dividing the profit for the financial period by the weighted average number of ordinary shares in issue during the current quarter.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/12/2009	QUARTER ENDED 31/12/2008	**YEAR ENDED 31/12/2009**	YEAR ENDED 31/12/2008
Profit/(Loss) for the financial period (RM’000)	**20,992**	3,061	**177,554**	(38,138)
Weighted average number of ordinary shares in issue (’000)	**389,933**	389,933	**389,933**	389,933
Basic earnings/(loss) per share (sen)	**5.38**	0.79	**45.53**	(9.78)

By order of the Board

CHUA SOK MOOI
(MAICSA 0777524)
Company Secretary

23 February 2010
Kuala Lumpur