MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2010

Announcement

The Board of Directors of MEASAT Global Berhad ('MEASAT Global' or 'Company') hereby announces the following unaudited interim condensed consolidated results for the first quarter ended 31 March 2010.

Unaudited Interim Condensed Consolidated Statement of Comprehensive Income

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED 31.03.2010	QUARTER ENDED 31.03.2009	**PERIOD ENDED 31.03.2010**	PERIOD ENDED 31.03.2009
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Revenue	8	**70,468**	54,055	**70,468**	54,055
Cost of services		**(31,368)**	(21,548)	**(31,368)**	(21,548)
Gross profit		**39,100**	32,507	**39,100**	32,507
Other operating income		**955**	834	**955**	834
Selling and administrative expenses:					
- Foreign exchange translation differences		**(4,412)**	3,975	**(4,412)**	3,975
- Others		**(13,498)**	(11,887)	**(13,498)**	(11,887)
Profit from operations	8	**22,145**	25,429	**22,145**	25,429
Finance cost:					
- Interest and finance charges		**(7,405)**	(9,153)	**(7,405)**	(9,153)
- Foreign exchange translation differences		**41,671**	(50,297)	**41,671**	(50,297)
Profit/(Loss) from ordinary activities before taxation		**56,411**	(34,021)	**56,411**	(34,021)
Taxation	17	**(6,619)**	(7,460)	**(6,619)**	(7,460)
Profit/(Loss)for the financial period		**49,792**	(41,481)	**49,792**	(41,481)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income/(expense) for the period		**49,792**	(41,481)	**49,792**	(41,481)
Earnings/(Loss)per share (sen):					
- Basic	26	**12.77**	(10.64)	**12.77**	(10.64)

The unaudited interim condensed consolidated statement of comprehensive income should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2009.

MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2010

Unaudited Interim Condensed Consolidated Statement of Financial Position

	Note	AS AT 31.03.2010 (Unaudited) RM'000	AS AT 31.12.2009 RM'000
Non-Current Assets			
Property, Plant and Equipment		**1,326,991**	1,351,997
Prepaid Lease		**1,483**	1,490
Goodwill		**1,186,589**	1,186,589
Derivative Financial Assets	**23**	**1,187**	-
Deferred Taxation		**310,781**	315,540
		2,827,031	2,855,616
Current Assets			
Trade and Other Receivables		**19,748**	21,182
Derivative Financial Assets	**23**	**2,266**	-
Deposits with Licensed Banks		**100,947**	37,847
Cash and Bank Balances		**71,464**	101,226
		194,425	160,255
Current Liabilities			
Other Payables	22	**134,155**	133,902
Borrowings (secured and interest bearing)	21	**87,730**	160,598
Derivative Financial Liabilities	23	**2,945**	-
Taxation		**621**	621
		225,451	295,121
Net Current Liabilities		**(31,026)**	(134,866)
Non-Current Liabilities			
Other Payables	22	**133,637**	155,594
Borrowings (secured and interest bearing)	21	**676,376**	635,279
Derivative Financial Liabilities	23	**6,697**	-
		816,710	790,873
		1,979,295	1,929,877
Capital and Reserves			
Share Capital		**304,148**	304,148
Reserves			
- Merger Reserve		**554,802**	554,802
- General Reserves		**15,899**	15,899
- Retained Earnings		**1,104,446**	1,055,028
		1,979,295	1,929,877
		RM	RM
Net Assets per share attributable to ordinary equity holders of the Company		**5.08**	4.95

The unaudited interim condensed consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2009.

MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2010

Unaudited Interim Condensed 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)
Quarter ended 31/3/2010						
Balance as at 1 January 2010	389,933	304,148	554,802	15,899	1,055,028	1,929,877
Change in accounting policy - effects of adopting FRS 139					(374)	(374)
Balance as at 1 January 2010 (As restated)	389,933	304,148	554,802	15,899	1,054,654	1,929,503
-Total comprehensive income for the period	-	-	-	-	49,792	49,792
Balance as at 31 March 2010	389,933	304,148	554,802	15,899	1,104,446	1,979,295
Quarter ended 31/3/2009						
Balance as at 1 January 2009	389,933	304,148	554,802	15,899	877,474	1,752,323
-Total comprehensive expense for the period	-	-	-	-	(41,481)	(41,481)
Balance as at 31 March 2009	389,933	304,148	554,802	15,899	835,993	1,710,842

The unaudited interim condensed consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2009.

MEASAT GLOBAL BERHAD
(2866-T)
INCORPORATED IN MALAYSIA

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2010

Unaudited Interim Condensed Consolidated Statement of Cash Flows

	CUMULATIVE QUARTER	
	Period Ended 31.03.2010	Period Ended 31.03.2009
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) for the financial period	**49,792**	(41,481)
Adjustments for :		
- Depreciation of property, plant and equipment	**25,565**	16,043
- Taxation	**6,619**	7,460
- Interest income	**(333)**	(212)
- Interest and finance charges	**7,405**	10,538
- Unrealised foreign exchange (gain)/loss	**(38,459)**	46,249
- Allowance for doubtful debts	**854**	-
- Loss/(gain) from disposal of property plant and equipment	**(8)**	(1)
	51,435	38,596
Increase in trade and other receivables	**288**	(9,649)
Decrease in trade and other payables	**(2,906)**	(17,624)
Net cash from operations	**48,817**	11,323
-Interest income received	**312**	257
-Taxes paid	**(2)**	(2)
Net cash flow from operating activities	**49,127**	11,578
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(708)**	(2,116)
Proceeds from disposal of property, plant and equipment	**157**	
Net cash flow used in investing activities	**(551)**	(2,116)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayments of borrowings	-	(1,003)
Decrease in debt service reserve accounts	**(1,497)**	(3,587)
Interest expense paid	**(5,130)**	(7,493)
Payments of non-trade payables	**(6,756)**	(7,226)
Payments of quarterly commitment fees	**(80)**	(88)
Net cash flow used in financing activities	**(13,463)**	(19,397)
Net increase/(decrease) in cash and cash equivalents	**35,113**	(9,935)
Currency translation differences	**(278)**	3,653
Cash and cash equivalents at beginning of the year	**74,357**	30,266
Cash and cash equivalents at end of the year	**109,192**	23,984
Deposits with licensed banks	**100,947**	17,273
Cash and bank balances	**71,464**	109,452
	172,411	126,725
Deposit in debt service reserve accounts	**(63,219)**	(102,741)
	109,192	23,984

The unaudited interim condensed consolidated statement of cash flow should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2009.

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 2009. The accounting policies adopted for the quarterly interim financial report as at 31 March 2010 are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2009 except for the adoption of the following new FRSs, amendments to FRSs and Interpretation Committee ("IC") interpretations issued by the Malaysian Accounting Standards Board that is effective for the Group for the financial period beginning 1 January 2010:

FRS 7: Financial Instruments: Disclosures
FRS 8: Operating Segments
FRS 101: Presentations of Financial Statements
FRS 123: Borrowing Costs
FRS 134: Interim Financial Reporting
FRS 136: Impairment of Assets
FRS 139: Financial Instruments: Recognition and Measurement
IC Interpretation 9: Reassessment of Embedded Derivatives
IC Interpretation 10: Interim Financial Reporting and Impairment
Amendments to FRS contained in document entitled "Improvements to FRS's (2009)"

FRS 101 (revised), Presentation of Financial Statements

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consist of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to the financial statements. With the adoption of the revised FRS 101, the components of the interim financial statements presented consists of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements.

FRS 8, Operating Segments

The new FRS requires a management approach, under which segment information is reported in a manner that is consistent with the internal reporting provided to the Chief Operating Decision Maker. The adoption has resulted in an additional disclosure on the Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") as it is a performance measure reviewed by the Board of Directors. There are no other changes arising from the recognition of this standard except for the expanded disclosure.

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

1. Basis of preparation (continued)

FRS 139, Financial Instruments: Recognition and Measurement

Prior to the adoption of FRS 139, financial derivatives were recognised on their settlement dates. Outstanding derivatives at the balance sheet date were not recognised. With the adoption of FRS 139, derivative financial instruments are now recognised in the financial statements.

The effects of re-measurement on 1 January 2010 of the financial assets and financial liabilities brought forward from the previous financial year are adjusted to the opening retained earnings as disclosed in the statement of changes in equity.

The financial impact of adopting FRS 139 is as follows:

	Before restatement RM'000	Effect of change in policy RM'000	Restated RM'000
Balance sheet At 1 January 2010			
Retained earnings	(1,055,028)	374	(1,054,654)
Derivative financial assets	-	1,921	1,921
Derivative financial liabilities	-	(9,354)	(9,354)
Other payables	(155,594)	5,201	(150,393)
Deferred Tax Assets	315,540	1,858	317,398

Save for the changes described above, the adoption of the other FRSs, amendments to FRSs and IC interpretations did not have a significant impact on the financial statements of the Group upon their initial application.

2. Qualification of preceding annual financial statements

There was no audit qualification to the preceding annual audited financial statements of the Group.

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 March 2010.

8. Segment results and reporting

In prior year's audited consolidated financial statements, the basis of segmentation was on a primary format of business segment and a secondary format of geography segment. The new FRS requires a 'management approach', under which segment information is reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The adoption has resulted in an additional disclosure on reconciling the reportable segments' EBITDA to the Group's profit/(loss) before tax has also been disclosed.

Segmental reporting for the current quarter is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/3/2010	QUARTER ENDED 31/3/2009	**PERIOD ENDED 31/3/2010**	PERIOD ENDED 31/3/2009
	RM'000	RM'000	**RM'000**	RM'000
Revenue	**70,468**	54,055	**70,468**	54,055
EBITDA	**46,755**	40,638	**46,755**	40,638
(Less)/Add:				
Depreciation	**(25,565)**	(16,043)	**(25,565)**	(16,043)
Other income	**955**	834	**955**	834
Profit from operations	**22,145**	25,429	**22,145**	25,429
Finance cost	**34,266**	(59,450)	**34,266**	(59,450)
Profit/(Loss) from ordinary activities before taxation	**56,411**	(34,021)	**56,411**	(34,021)

9. Valuations of property, plant and equipment

There were no revaluations of property, plant and equipment during the quarter ended 31 March 2010. As at 31 March 2010, 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.

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

11. Changes in the composition of the Group

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

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 1Q 2010, while have yet to be made by MCMC, are estimated to be RM41.9 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 March 2010 are as follows:

	RM'000
Approved and contracted for	999
Approved but not contracted for	9,534
	10,533

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

14. Review of Performance

(A) Review of performance of the current quarter ("1Q 2010") against the immediate preceding quarter ("4Q 2009").

The Group's 1Q 2010 results, as compared to 1Q 2009, were impacted by:

- The continued growth in the MEASAT-3a ("M3a") customer base;
- A reduction in operating expenses due to a provision for a doubtful debt in Q4 2009; and,
- The depreciation of the USD against the Ringgit.

The depreciation of the USD against the Ringgit over the period resulted in (i) a foreign exchange translation loss on USD cash deposits of RM4.4 million (versus a loss of RM1.9 million in 4Q 2009); and, (ii) a foreign exchange translation gain on USD denominated borrowings and performance incentives of RM41.7 million (versus a gain of RM14.0 million in 4Q 2009).

The Group's 1Q 2010 results, as compared to 4Q 2009, after the removal of the foreign exchange effect is shown below:

Results adjusted to remove impact of movements in USD:RM Exchange Rate

	QUARTER ENDED 31/03/2010	QUARTER ENDED 31/12/2009	**QUARTER ENDED 31/3/2010**	QUARTER ENDED 31/12/2009
	RM'000	RM'000	**USD'000**	USD'000
Revenue	**70,468**	69,702	**20,708**	20,056
Profit from operations	**26,557**	21,509	**7,804**	6,189
Profit before tax	**19,152**	11,967	**5,628**	3,444
Profit after tax	**12,533**	8,839	**3,683**	2,544

During 1Q 2010 the depreciation of the USD increased the Group's earnings by 9.56 sen per share.

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

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 quarter ("1Q 2010") against the corresponding preceding year quarter ("1Q 2009").

The Group's results for 1Q 2010, as compared to 1Q 2009, were impacted by:

- An increase in revenue of RM16.4 million on commercial operations of M3a; and
- The depreciation of the USD against the Ringgit.

The depreciation of the USD against the Ringgit over the period resulted in (i) a foreign translation loss on USD cash deposits of RM4.4 million (versus a gain of RM4.0 million in 1Q 2009); and (ii) a foreign translation gain on USD denominated borrowings and performance incentives of RM41.7 million (versus a loss of RM50.3 million in 1Q 2009).

The Group's 1Q 2010 results as compared to 1Q 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 31/03/2010	QUARTER ENDED 31/12/2009	**QUARTER ENDED 31/03/2010**	QUARTER ENDED 31/12/2009
	RM'000	RM'000	**USD'000**	USD'000
Revenue	**70,468**	54,055	**20,708**	15,074
Profit from operations	**26,557**	21,454	**7,804**	5,983
Profit before tax	**19,152**	12,301	**5,628**	3,430
Profit after tax	**12,533**	4,841	**3,683**	1,350

15. Prospects relating to financial year 2010

For the financial year 2010, the Group expects to see positive contributions to the Group's financial results from the continuing operations of MEASAT-3 ("M3") and AFRICASAT-1 ("A1"); and, the first full year impact of M3a operations.

The Board expects the financial results for 2010 to continue to be affected by the movement of the USD:Ringgit exchange rates where, the appreciation of Ringgit against the USD will positively impact the Group's USD denominated borrowings while giving a negative impact on the Group's revenue.

16. Variance to profit forecast

Not applicable.

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

17. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/3/2010	QUARTER ENDED 31/3/2009	**PERIOD ENDED 31/3/2010**	PERIOD ENDED 31/3/2009
	RM'000	RM'000	**RM'000**	RM'000
In respect of current period:				
Malaysian income tax				
- Current	**(2)**	(2)	**(2)**	(2)
Deferred taxation				
- Current	**(6,617)**	(7,458)	**(6,617)**	(7,458)
	(6,619)	(7,460)	**(6,619)**	(7,460)

The effective tax rate for the quarter ended 31 March 2010 is different from the Malaysian tax rate of 25% due to the tax effects of the foreign exchange translation on USD denominated borrowings in the period.

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 March 2010 are as follows:

	Total as at 31/3/2010 RM'000	RM Facilities RM'000	USD Facilities USD'000	USD Facilities RM'000 equivalent
Current Liability				
Syndicated Term Loan Facilities	300	126	53	174
Export Credit Agency Loan Facilities	87,430	-	26,712	87,430
	87,730	126	26,765	87,604
Non-current Liability				
Syndicated Term Loan Facilities	144,431	83,866	18,504	60,565
Export Credit Agency Loan Facilities	531,945	-	162,525	531,945
	676,376	83,866	181,029	592,510
Total	764,106	83,992	207,794	680,114

The borrowings represent an equivalent sum of RM789.7 million, after unamortised costs of RM25.6 million. These are secured against assets of a subsidiary and a corporate guarantee from the Company.

22. Other payables

	Total as at 31/3/2010 RM'000
Current liability	
Performance incentives	30,558
	30,558
Non current liability	
Performance incentives	98,853
Deferred payment	34,784
	133,637
Total	164,195

Included in other payables are unsecured performance incentives ("PI") of USD39.5 million (equivalent to RM129.4 million) and a deferred payment of USD12.0 million (equivalent to RM38.4 million) for M3, at inception.

USD29.7 million (equivalent to RM97.1 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.

USD9.9 million (equivalent to RM32.3 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.

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

22. Other payables (continued).

Disclosure of gains/loss arising from fair value changes of financial liabilities
The interest free deferred payment expose the Group to fair value risk. As at 31 March 2010, fair value loss of RM 0.7 million relating to deferred payment is recognised in the Condensed Consolidated Statement of Comprehensive Income within finance costs.

23. Derivative Financial instruments

(A) Market risk disclosures

The Group manages its exposure to market risk (including interest rate movements and foreign currency rate movements) on its financial liability through the use of the derivative financial instruments. The Group had entered into Interest Rate Swaps ("IRS") and Cross Currency Rate Swaps ("CCRS") to hedge the fluctuations of interest on borrowings issued at variable rates and USD/RM exchange rate on the RM borrowings. However, if the market rate of the USD/RM exchange rate moves above RM3.4 /USD1.0 and interest rate moves below 4.09% per annum, MEASAT is exposed to fair value risk and the losses shall be recognised in the Condensed Consolidated Statement of Comprehensive Income.

There was no cash movement from the Group to the counterparties when the CCRS and IRS were executed as fees/costs associated with the CCRS and IRS have been incorporated into the exchange rate and interest rate that each of the counterparties charge as part of the CCRS and IRS structure. In addition, there is no cash movement between the Group and the CCRS and IRS counterparties due to mark-to-market changes.

(B) Accounting policy

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance sheet. The changes in fair value are recognised in the Condensed Consolidated Statement of Comprehensive Income, within finance cost, in the period when they arise.

As at 31 March 2010, the Group has the following outstanding derivative financial statements:

Derivatives	Contract/Notional amount RM'000	Fair value RM'000
Interest rate swaps (IRS)		
- Less than 1 year	69,779	(2,945)
- 1 year to 3 years	107,282	(5,029)
- Later than 3 years	30,002	(1,668)
Cross currency swaps (CCRS)		
- Less than 1 year	21,190	1,187
- 1 year to 3 years	40,437	2,266

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

23. Derivative Financial instruments (continued)

(C) Disclosure of gains/loss arising from fair value changes on derivative financial asset/liabilities

The Group determines the fair value of the derivative financial liabilities relating to the CCRS and IRS using valuation technique which utilises data from recognised financial information sources. Assumptions are based on market conditions existing at each reporting date. The fair value is calculated as the present value of the estimated future cash flow using an appropriate market based yield curve.

The fair values of outstanding derivative financial instruments used for hedging purposes are disclosed as per the table above. The full fair value loss of RM9.6 million from IRS and fair value gain of RM3.4 million from CCRS have been included in the Condensed Consolidated Statement of Financial Position. The changes in fair value is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

During the three months financial period ended 31 March 2010, the fair value gain of RM1.5 million from CCRS and loss of RM0.3 million from IRS are recognised within finance costs in the Condensed Consolidated Statement of Comprehensive Income.

(D) Credit Risk Management Policy

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

24. Changes in material litigation

In September 2008, PT Ayunda Prima Mitra (“PT APM”) commenced a civil suit in Indonesia against MEASAT Satellite Systems Sdn Bhd (”MEASAT”), the Company’s wholly-owned subsidiary, and twelve other parties (“Suit”). Whilst on 17 September 2009, the South Jakarta District Court dismissed the Suit on the grounds that PT APM has no legal standing to bring the action against MEASAT, PT APM has since filed a notice of appeal against the Court’s decision. This notice was served on MEASAT on 21 April 2010.

25. Dividends

No dividends have been recommended or declared for the current quarter ended 31 March 2010.

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 31/3/2010	QUARTER ENDED 31/3/2009	**PERIOD ENDED 31/3/2010**	PERIOD ENDED 31/3/2009
Profit/(Loss) for the financial period (RM'000)	**49,792**	(41,481)	**49,792**	(41,481)
Weighted average number of ordinary shares in issue ('000)	**389,933**	389,933	**389,933**	389,933
Basic earnings/(loss) per share (sen)	**12.77**	(10.64)	**12.77**	(10.64)

By order of the Board

CHUA SOK MOOI
(MAICSA 0777524)
Company Secretary

21 May 2010
Kuala Lumpur