ASTRO ALL ASIA NETWORKS plc

(Incorporated in England and Wales under the United Kingdom Companies Act 1985 – No. 4841085)
(Registered as a foreign company in Malaysia under the Companies Act 1965 – No. 994178-M)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 JULY 2006

ANNOUNCEMENT

The Board of Directors of ASTRO ALL ASIA NETWORKS plc ("ASTRO" or "the Company") is pleased to announce the following unaudited consolidated results for the second quarter ended 31 July 2006 which should be read in conjunction with the audited statutory financial statements presented for the financial year ended 31 January 2006.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		QUARTER ENDED 31/07/2006	QUARTER ENDED 31/07/2005	+ -	**SIX MTHS ENDED 31/07/2006**	SIX MTHS ENDED 31/07/2005	+ -
		RM'm	RM'm	%	**RM'm**	RM'm	%
Revenue	8	**569.1**	499.4	+14	**1,092.1**	972.6	+12
Cost of sales (excluding set-top box subsidies)		**(282.2)**	(239.0)		**(525.0)**	(463.9)	
Gross profit (excluding set-top box subsidies)		**286.9**	260.4		**567.1**	508.7	
Set-top box subsidies		**(60.6)**	(77.6)		**(91.4)**	(141.1)	
Gross profit		**226.3**	182.8	+24	**475.7**	367.6	+29
Other operating income		**3.1**	1.8		**5.7**	3.7	
Marketing and distribution costs		**(43.3)**	(45.5)		**(84.2)**	(82.8)	
Administrative expenses		**(81.1)**	(87.3)		**(162.4)**	(164.4)	
Profit from operations [(1)]	8	**105.0**	51.8	+103	**234.8**	124.1	+89
Finance costs		**(10.8)**	(11.9)		**(17.9)**	(23.4)	
Finance income		**16.3**	10.5		**26.1**	15.3	
Share of post tax results from associates & overseas investments [(2)]		**(13.6)**	1.6		**(27.9)**	1.4	
Profit before taxation		**96.9**	52.0	+86	**215.1**	117.4	+83
Taxation	15	**(26.0)**	(10.0)		**(55.6)**	(37.2)	
Profit for the period		**70.9**	42.0	+69	**159.5**	80.2	+99
Attributable to:							
Equity holders of the Company		**73.0**	44.0	+66	**163.5**	83.8	+95
Minority interest		**(2.1)**	(2.0)		**(4.0)**	(3.6)	
		70.9	42.0		**159.5**	80.2	

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 JULY 2006

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS (continued)

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Note	**QUARTER ENDED 31/07/2006**	QUARTER ENDED 31/07/2005	**SIX MTHS ENDED 31/07/2006**	SIX MTHS ENDED 31/07/2005
Earnings per share:	26	**Sen**	Sen	**Sen**	Sen
- Basic		**3.79**	2.29	**8.48**	4.36
- Diluted*		**3.78**	2.28	**8.47**	4.33

(*) The diluted earnings per share is calculated based on the dilutive effects of 59,937,650 options under the 2003 Employee Share Option Scheme ("ESOS") and 2003 Management Share Incentive Scheme ("MSIS").

Note

(1) The profit from operations has been arrived at after charging:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/07/2006	QUARTER ENDED 31/07/2005	**SIX MTHS ENDED 31/07/2006**	SIX MTHS ENDED 31/07/2005
	RM'm	RM'm	**RM'm**	RM'm
Depreciation of property, plant and equipment	**15.6**	15.0	**30.2**	30.3
Amortisation of film library and programme rights	**39.4**	33.1	**69.8**	69.6
Amortisation of other intangible assets	**6.0**	5.1	**12.6**	9.0
Impairment of film library and programme rights	**2.4**	-	**2.4**	-

(2) Included in "share of post tax results from associates & overseas investments" is an amount of RM12.9m (six months ended 31 July 2006 : RM28.1m) reflecting the current estimate of the Group's share of start-up losses in PT Direct Vision ("PTDV") for the quarter (See note 18 (a)(2)).

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 JULY 2006

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

	Note	**AS AT 31/07/2006**	AS AT 31/01/2006
		RM'm	RM'm
NON-CURRENT ASSETS			
Property, plant and equipment	9	**332.3**	288.4
Associates		**158.5**	166.1
Deferred tax assets		**464.8**	513.4
Other financial assets		**30.7**	23.8
Film library and programme rights		**268.5**	273.2
Other intangible assets [(1)]		**176.9**	187.0
		1,431.7	1,451.9
CURRENT ASSETS			
Inventories		**34.8**	45.8
Receivables and prepayments		**558.0**	481.8
Other financial assets			
- Derivative financial instruments		**16.4**	15.1
Tax recoverable		**6.9**	8.5
Cash and cash equivalents		**1,002.0**	848.1
		1,618.1	1,399.3
CURRENT LIABILITIES			
Trade and other payables		**890.3**	741.9
Other financial liabilities			
- Borrowings (interest bearing)	19	**35.9**	34.4
Current tax liabilities		**7.5**	1.3
		933.7	777.6
NET CURRENT ASSETS		**684.4**	621.7
NON-CURRENT LIABILITIES			
Payables		**209.3**	248.3
Deferred tax liabilities		**12.2**	12.1
Other financial liabilities			
- Borrowings (interest bearing)	19	**9.0**	26.5
		230.5	286.9
NET ASSETS		**1,885.6**	1,786.7

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 JULY 2006

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET (continued)

	Note	AS AT 31/07/2006 RM'm	AS AT 31/01/2006 RM'm
CAPITAL AND RESERVES			
Attributable to equity holders of the Company :			
Share capital		**1,195.9**	1,195.4
Share premium		**13.1**	11.0
Merger reserve		**518.4**	518.4
Exchange reserve		**(13.6)**	(5.8)
Hedging reserve		**16.4**	15.4
Other reserve		**50.9**	40.6
Retained earnings/(accumulated losses)		**93.8**	(2.8)
		1,874.9	1,772.2
Minority interests		**10.7**	14.5
Total equity		**1,885.6**	1,786.7
NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (RM) [(2)]		**0.97**	0.92

Notes:

(1) Other intangible assets consist of software costs of RM120.2m (including broadcast facility at Cyberjaya of RM64.4m) (31/01/2006: RM118.5m), rights and licenses of RM41.3m (31/01/2006: RM47.4m), remastering costs of RM15.1m (31/01/2006: RM20.8m) and goodwill on consolidation of RM0.3m (31/01/2006: RM0.3m).

(2) Net assets attributable to equity holders of the Company of RM1,874.9m (31/01/2006: RM1,772.2m) are stated after the writing off of total subsidised set-top box equipment costs cumulative to-date of RM1,747.2m (31/01/2006: RM1,655.8m).

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 JULY 2006

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company										
	Issued and fully paid ordinary shares of £0.10 each		Non-distributable								
Six months ended 31/07/2006	Number of shares	Nominal value	Share premium	Merger reserve	Exchange reserve	Hedging reserve	Other reserve	Retained earnings/ (losses)	Total	Minority interests	Total Equity
	Million	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m
As at 1 February 2006	1,927.3	1,195.4	11.0	518.4	(5.8)	15.4	40.6	(2.8)	1,772.2	14.5	1,786.7
Currency translation differences	-	-	-	-	(7.8)	-	-	-	(7.8)	-	(7.8)
Cash flow hedge: - Fair value gain on hedging instrument	-	-	-	-	-	9.3	-	-	9.3	-	9.3
- Transferred to profit or loss for the period	-	-	-	-	-	(8.3)	-	-	(8.3)	-	(8.3)
Net income recognised directly in equity	-	-	-	-	(7.8)	1.0	-	-	(6.8)	-	(6.8)
Profit for the period	-	-	-	-	-	-	-	163.5	163.5	(4.0)	159.5
Total recognised income	-	-	-	-	(7.8)	1.0	-	163.5	156.7	(4.0)	152.7
Share options: - Proceeds from shares issued	0.7	0.5	2.1	-	-	-	-	-	2.6	-	2.6
- Value of employee services	-	-	-	-	-	-	10.9	-	10.9	-	10.9
- Transfer upon exercise	-	-	-	-	-	-	(0.6)	0.6	-	-	-
Dilution of equity interest in a subsidiary	-	-	-	-	-	-	-	-	-	0.2	0.2
Dividend relating to FYE 31/01/06	-	-	-	-	-	-	-	(67.5)	(67.5)	-	(67.5)
	0.7	0.5	2.1	-	-	-	10.3	(66.9)	(54.0)	0.2	(53.8)
As at 31 July 2006	1,928.0	1,195.9	13.1	518.4	(13.6)	16.4	50.9	93.8	1,874.9	10.7	1,885.6

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FOR THE SECOND QUARTER ENDED 31 JULY 2006

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Attributable to equity holders of the Company										
	Issued and fully paid ordinary shares of £0.10 each		Non-distributable								
Six months ended 31/07/2005	Number of shares	Nominal value	Share premium	Merger reserve	Exchange reserve	Hedging reserve	Other reserve	Retained earnings/ (losses)	Total	Minority interests	Total Equity
	Million	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m	RM' m
As at 1 February 2005											
- as previously reported	1,922.4	1,192.2	2,118.9	518.4	(1.1)	(1.6)	-	(2,267.4)	1,559.4	-	1,559.4
- prior year adjustment	-	-	-	-	-	-	12.3	(12.3)	-	-	-
- as restated	1,922.4	1,192.2	2,118.9	518.4	(1.1)	(1.6)	12.3	(2,279.7)	1,559.4	-	1,559.4
Currency translation differences	-	-	-	-	(3.5)	-	-	-	(3.5)	-	(3.5)
Cash flow hedge:											
- Fair value gain on hedging instrument	-	-	-	-	-	7.0	-	-	7.0	-	7.0
Net income recognised directly in equity	-	-	-	-	(3.5)	7.0	-	-	3.5	-	3.5
Profit for the period	-	-	-	-	-	-	-	83.8	83.8	(3.6)	80.2
Total recognised income	-	-	-	-	(3.5)	7.0	-	83.8	87.3	(3.6)	83.7
Share options:											
- Proceeds from shares issued	0.9	0.6	2.8	-	-	-	-	-	3.4	-	3.4
- Value of employee services	-	-	-	-	-	-	25.7	-	25.7	-	25.7
- Transfer upon exercise	-	-	-	-	-	-	(0.1)	0.1	-	-	-
Dilution of equity interest in a subsidiary	-	-	-	-	-	-	-	-	-	15.4	15.4
Dividend relating to FYE 31/01/2005	-	-	-	-	-	-	-	(48.1)	(48.1)	-	(48.1)
	0.9	0.6	2.8	-	-	-	25.6	(48.0)	(19.0)	15.4	(3.6)
As at 31 July 2005	1,923.3	1,192.8	2,121.7	518.4	(4.6)	5.4	37.9	(2,243.9)	1,627.7	11.8	1,639.5

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 JULY 2006

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	CUMULATIVE QUARTER	
	SIX MTHS ENDED 31/07/2006	SIX MTHS ENDED 31/07/2005
	RM'm	RM'm
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	**159.5**	80.2
Contra arrangements – revenue	**(0.8)**	(2.1)
Value of employee services – share options	**10.9**	25.7
Interest income	**(15.8)**	(12.6)
Interest expense	**11.6**	19.4
Gain from interest rate swap contract	**(10.2)**	-
Unrealised foreign exchange gain	**(0.4)**	(2.3)
Taxation	**55.6**	37.2
Property, plant and equipment		
- Depreciation	**30.2**	30.3
- Gain on disposal	**(0.1)**	(0.2)
Film library and programme rights		
- Amortisation	**69.8**	69.6
- Impairment	**2.4**	-
Other intangible assets		
- Amortisation	**12.6**	9.0
Dilution of interest in a subsidiary	**(0.5)**	-
Share of post tax results from associates & overseas investments	**27.9**	(1.4)
	352.7	252.8
Changes in working capital:		
Film library and programme rights	**(77.1)**	(52.3)
Inventories	**11.0**	11.9
Receivables and prepayments	**(105.4)**	(34.9)
Payables	**56.8**	0.4
Cash generated from operations	**238.0**	177.9
Income tax refunded/(paid)	**0.8**	(4.2)
Interest received	**13.5**	11.8
Net cash flow from operating activities	**252.3**	185.5

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT (continued)

	CUMULATIVE QUARTER	
	SIX MTHS ENDED 31/07/2006	SIX MTHS ENDED 31/07/2005
	RM'm	RM'm
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary, net of cash acquired	**-**	(26.3)
Purchase of other financial assets	**(7.6)**	-
Proceeds from disposal of an associate	**-**	1.4
Proceeds from shares issued to minority interests	**0.8**	-
Proceeds from disposal of property, plant and equipment	**0.1**	0.4
Acquisition of intangible assets	**(14.9)**	(31.7)
Purchase of property, plant and equipment	**(68.1)**	(16.6)
Net cash flow from investing activities	**(89.7)**	(72.8)
Net cash flow from operating and investing activities*	***162.6***	*112.7*
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	**(5.8)**	(16.6)
Proceeds from borrowings	**-**	6.0
Gain from interest rate swap contract	**8.8**	-
Issuance of shares pursuant to exercise of share options	**2.6**	3.4
Repayment of finance lease liabilities	**(15.9)**	(14.4)
Repayment of borrowings	**-**	(5.2)
Net cash flow from financing activities	**(10.3)**	(26.8)
Net effect of currency translation on cash and cash equivalents	**1.6**	0.4
NET INCREASE IN CASH AND CASH EQUIVALENTS	**153.9**	86.3
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**848.1**	966.5
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**1,002.0**	1,052.8

(*) Represents free cash flow.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 JULY 2006

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

1. BASIS OF PREPARATION

The quarterly report has been prepared in accordance with the reporting requirements as set out in Financial Reporting Standards ("FRS") No. 134 – "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements and should be read in conjunction with the audited statutory financial statements presented for the financial year ended 31 January 2006.

The accounting policies used by the Group in the quarterly report comply with the principles of the International Financial Reporting Standards ("IFRS") adopted by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB. The quarterly report has been prepared based on the presentation, accounting policies and methods of computation consistent with those adopted in the preparation of the audited statutory financial statements for the financial year ended 31 January 2006.

2. QUALIFICATION OF PRECEDING ANNUAL AUDITED STATUTORY FINANCIAL STATEMENTS

There was no qualification to the preceding annual audited statutory financial statements.

3. SEASONAL / CYCLICAL FACTORS

The principal periods which are significantly affected by seasonality and cyclical factors for the Group are the 1st and 4th quarters. However, the impact of seasonality has been declining as a result of the diversification of subscriber base.

4. UNUSUAL ITEMS

There were no significant 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 significant changes in estimates of amounts reported in the prior interim period of the current financial year or in the prior financial year.

6. MOVEMENTS IN DEBT/EQUITY SECURITIES

	CURRENT QUARTER		CUMULATIVE QUARTER	
	Number of shares	**Proceeds from the shares issue**	**Number of shares**	**Proceeds from the shares issue**
	’m	**RM’m**	**’m**	**RM’m**
Issuance of new ordinary shares pursuant to the exercise of share options under the ESOS	**0.4**	**1.3**	**0.7**	**2.6**

Other than as disclosed above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review.

7. DIVIDENDS PAID

No dividends were paid during the quarter under review. Subsequently, a final tax-exempt dividend of 3.5 sen per share amounting to RM67.5m in respect of the financial year ended 31 January 2006 was paid on 25 August 2006.

8. SEGMENT RESULTS AND REPORTING

The Group is organised in the following business segments:

- Multi channel television – provides multi channel Direct-to-Home subscription television and related interactive television services.
- Radio – provides radio broadcasting services.
- Library licensing and distribution – the ownership of a Chinese film entertainment library and the aggregation and distribution of the library and related content.
- Others – a magazine publishing business; interactive content business for the mobile telephony platform; Malaysian film production business; talent management; creation of animation content; television content distribution; ownership of buildings and investment holding.

Inter-segment revenue represents transfers between segments and is eliminated on consolidation. These transfers are accounted for in the segments at estimated competitive market prices that would be charged to unaffiliated customers for similar goods and services.

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

8. SEGMENT RESULTS AND REPORTING (continued)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/07/06	QUARTER ENDED 31/07/05	**SIX MTHS ENDED 31/07/06**	SIX MTHS ENDED 31/07/05
	RM'm	RM'm	**RM'm**	RM'm
Revenue				
Multi channel television				
External revenue	**505.7**	443.8	**975.4**	868.8
Inter-segment revenue	**0.1**	0.2	**0.1**	0.9
Multi channel television revenue	**505.8**	444.0	**975.5**	869.7
Radio				
External revenue	**36.3**	35.4	**68.9**	64.7
Inter-segment revenue	**1.1**	0.8	**1.7**	1.5
Radio revenue	**37.4**	36.2	**70.6**	66.2
Library licensing and distribution				
External revenue	**13.4**	13.3	**26.5**	24.7
Inter-segment revenue	**3.8**	2.6	**6.8**	5.0
Library licensing and distribution revenue	**17.2**	15.9	**33.3**	29.7
Others				
External revenue	**13.7**	6.9	**21.3**	14.4
Inter-segment revenue	**107.3**	87.7	**146.5**	121.4
Others revenue	**121.0**	94.6	**167.8**	135.8
Total reportable segments	**681.4**	590.7	**1,247.2**	1,101.4
Eliminations	**(112.3)**	(91.3)	**(155.1)**	(128.8)
Total group revenue	**569.1**	499.4	**1,092.1**	972.6
Profit/(loss) from operations by segment				
Multi channel television	**118.7**	56.5	**259.4**	154.4
Radio	**14.9**	12.2	**24.4**	20.7
Library licensing and distribution	**(10.3)**	(15.5)	**(21.2)**	(34.7)
Others/eliminations	**(18.3)**	(1.4)	**(27.8)**	(16.3)
Profit from operations	**105.0**	51.8	**234.8**	124.1

9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

There were no revaluations of property, plant and equipment during the current quarter. As at 31 July 2006, all 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 subsequent events as at 8 September 2006.

11. CHANGES IN THE COMPOSITION OF THE GROUP

Dilution of equity interest in a subsidiary, ASTRO Awani Network Ltd (formerly known as ASTRO Broadcast Corporation Ltd) ("Awani")

On 4 July 2006, Awani issued 1,062,498 ordinary shares at par value of USD1.00 each, of which 849,998 shares were subscribed by ASTRO's wholly-owned subsidiary, ASTRO All Asia Entertainment Networks Limited and 212,500 shares were issued to New Delhi Television Limited. Following the change, ASTRO's equity interest in Awani was diluted from 100% to 80%.

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) Contingent liabilities

As at 31 July 2006, the Group has provided guarantees to third parties amounting to RM27.9m in respect of licence fees payable by third parties.

(b) Contingent assets

There were no significant contingent assets as at 31 July 2006.

13. COMMITMENTS

As at 31 July 2006, the Group has the following commitments:

	Authorised and		
	Contracted for	**Not contracted for**	**Total**
	RM'm	**RM'm**	**RM'm**
Capital expenditure	**32.8**	**127.8**	**160.6**
Investment in an associate	**18.3**	**-**	**18.3**
Film library and programme rights	**173.9**	**70.5**	**244.4**
Non-cancellable operating lease	**22.3**	**-**	**22.3**
	247.3	**198.3**	**445.6**

14. SIGNIFICANT RELATED PARTY DISCLOSURES

The Group has entered into a variety of related party transactions with companies directly or indirectly controlled by or associated with Usaha Tegas Sdn Bhd ("UTSB") as well as companies or entities directly or indirectly controlled by or associated with Ananda Krishnan Tatparanandam or in which he is deemed to have an interest, both of whom are deemed substantial shareholders of the Company. UTSB is ultimately controlled by the trustee of a discretionary trust, the beneficiaries of which are members of the family of Ananda Krishnan Tatparanandam and foundations including those for charitable purposes.

Maxis Communications Berhad is an associate of UTSB. MAI Holdings Sdn Bhd is ultimately controlled by Ananda Krishnan Tatparanandam.

Related parties	Relationship
Maxis Broadband Sdn Bhd	Subsidiary of Maxis Communications Berhad
Malaysian Mobile Services Sdn Bhd	Subsidiary of Maxis Communications Berhad
UTSB Management Sdn Bhd	Subsidiary of UTSB
SRG Asia Pacific Sdn Bhd	Subsidiary of UTSB
MEASAT Satellite Systems Sdn Bhd	Subsidiary of MAI Holdings Sdn Bhd
Valuelabs	A director of a subsidiary of the Company within the past 12 months is also a partner of Valuelabs.

In addition to significant related party transactions disclosed elsewhere in this report, the following significant transactions were carried out with the following related parties:

	TRANSACTIONS FOR THE CUMULATIVE SIX MTHS ENDED 31/07/06	AMOUNTS (*) DUE FROM/(TO) AS AT 31/07/06
	RM'm	RM'm
(a) Sales of goods and services		
Multimedia and interactive sales to:		
Malaysian Mobile Services Sdn Bhd	**5.1**	**5.1**
Maxis Broadband Sdn Bhd	**1.4**	**1.4**
(b) Purchases of goods and services		
Personnel, strategic and other consultancy and support services from:		
UTSB Management Sdn Bhd	**7.2**	**(2.6)**
Valuelabs	**3.9**	**(0.5)**
Telecommunication services from:		
Maxis Broadband Sdn Bhd	**4.5**	**(1.6)**
Interaction call center services from:		
SRG Asia Pacific Sdn Bhd	**4.9**	**(4.2)**
Expenses related to finance lease:		
MEASAT Satellite Systems Sdn Bhd	**6.5**	**(1.8)**

(*) Represents amounts outstanding on transactions entered into during the six months ended 31 July 2006.

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15. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/07/06	QUARTER ENDED 31/07/05	**SIX MTHS ENDED 31/07/06**	SIX MTHS ENDED 31/07/05
	RM'm	RM'm	**RM'm**	RM'm
Current tax	**(3.3)**	(2.6)	**(7.0)**	(4.2)
Deferred tax	**(22.7)**	(7.4)	**(48.6)**	(33.0)
	(26.0)	(10.0)	**(55.6)**	(37.2)

The Group's effective tax rates for the current quarter and six months ended 31 July 2006 of 26.8% and 25.8% respectively are based on an estimate of the tax charge for the year and is lower than the Malaysian statutory tax rate mainly due to the utilisation of unabsorbed Investment Tax Allowance ("ITA") in a subsidiary partially offset by losses in foreign subsidiaries and certain Malaysian subsidiaries which were not available for tax relief at Group level and the non-deductibility of certain operating expenses for tax purposes.

The full effect of the benefits of ITA is not recognised in the current quarter and six months ended 31 July 2006 in order to provide for tax on the basis of the likely tax rate for the full year as required under IFRS.

16. PROFIT/(LOSS) ON SALES OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments and/or properties during the quarter and year-to-date.

17. QUOTED SECURITIES

There were no quoted securities acquired or disposed during the quarter and year-to-date.

18. STATUS OF CORPORATE PROPOSALS ANNOUNCED

(a) Status of corporate proposals announced

(1) Internal Group Restructuring

The Company announced, on 3 December 2004 and 31 January 2005, an internal restructuring of its subsidiaries ("Internal Group Restructuring") in order to create a leaner and more efficient group structure. The completion of the Internal Group Restructuring will result in the removal of Radio Advertising and Programming Systems Sdn Bhd ("RAPS") that is no longer required and achieve efficiencies in operational and financial reporting. In addition, the new structure provides the Group with flexibility for acquiring new businesses and efficient payment of dividends.

RAPS had on 5 January 2006 commenced a member's voluntary winding-up. As at 8 September 2006, the winding-up of RAPS has not been completed.

18. STATUS OF CORPORATE PROPOSALS ANNOUNCED (continued)

(a) Status of corporate proposals announced (continued)

(2) Proposed participation in multi-channel digital satellite pay television and multimedia business in Indonesia

Pursuant to the Subscription and Shareholders' Agreement dated 11 March 2005 ("SSA"), the Group together with PT Ayunda Prima Mitra, a subsidiary of PT Broadband Multimedia Tbk, agreed to participate in PT Direct Vision, to provide multi-channel digital satellite pay television and multimedia services in Indonesia. The proposed participation would have resulted in the Group holding a 51% effective interest in PT Direct Vision ("PTDV"), with an initial commitment of USD15.3m and shareholder loan facilities of USD35m.

On 26 August 2005, Komisi Penyiaran Indonesia, the Indonesian broadcasting regulator, issued a Decree requiring all broadcasters to submit applications and supporting materials for the purpose of applying for a Broadcast License under the Broadcasting Law, which limits foreign equity participation to 20%, by 28 December 2005.

Accordingly, the Group and its joint-venture partner are taking the required steps to restructure the shareholding of the joint venture and procure the necessary licenses.

Having submitted applications to regulatory authorities in December 2005, PTDV has since received written confirmation from these authorities that it can continue to operate under its existing licenses and approvals while the application for a new Broadcasting License is processed, in line with all other existing operators.

As of 8 September 2006, the parties are in the final stages of completing the restructured transactional documentation which will be in compliance with Indonesian broadcast regulations to replace the SSA which has been allowed to lapse on 31 July 2006.

On 28 February 2006, PTDV launched a nationwide service under the *Astro* brand, pursuant to a Trademark License Agreement it entered into with MEASAT Broadcast Network Systems Sdn Bhd, the proprietor of the *Astro* trademark.

As at 31 July 2006, the Group has incurred total costs of RM156.5m which include capital and operational expenditure and other services provided to PTDV. Such amounts have been included in Receivables and Fixed Assets pending the finalization of various agreements.

18. STATUS OF CORPORATE PROPOSALS ANNOUNCED (continued)

(a) Status of corporate proposals announced (continued)

(2) Proposed participation in multi-channel digital satellite pay television and multimedia business in Indonesia (continued)

Having regard to the status of the corporate proposal and as a consequence of the lapsing of the above agreement, in the interim, the Group reflected 20% of the start-up losses of PTDV, all of which, so far, have been funded by ASTRO. The exact financial impact of the investment and the related accounting will be determined after the final agreements are finalised. In summary, the performance of PTDV to date, is as follows:-

	QUARTER ENDED 31/07/06	SIX MTHS ENDED 31/07/06
	RM'm	RM'm
Revenue	5.1	5.9
Costs	(69.6)	(146.2)
Net loss	(64.5)	(140.3)
Group's share of start-up losses	(12.9)	(28.1)

Other than as disclosed above, there were no incomplete corporate proposals as at 8 September 2006.

(b) Status of utilisation of proceeds raised from the Initial Public Offering

As at 8 September 2006, all the proceeds raised during the Initial Public Offering (amounting to RM2,029.9m) have been utilised except for RM19.0m which was proposed for payment of equity in an associate, TVB Publishing Holding Limited, which has not yet been called.

19. GROUP BORROWINGS AND DEBT SECURITIES

The amount of Group borrowings and debt securities as at 31 July 2006 are as follows:

	Short Term	Long Term	Total
	RM'm	**RM'm**	**RM'm**
Secured			
Bank loan[1] – USD0.5m	**1.8**	**-**	**1.8**
Finance lease liabilities[2]	**34.1**	**9.0**	**43.1**
	35.9	**9.0**	**44.9**

Notes:

(1) A standby letter of credit has been provided as security.

(2) The finance lease liabilities are effectively secured as the rights of the leased asset revert to the lessor in the event of default.

(3) All the assets of MEASAT Broadcast Network Systems Sdn Bhd ("MBNS") and MEASAT Digicast Sdn Bhd ("Digicast"), subsidiaries of ASTRO, were pledged as security under Bank Pembangunan Malaysia Berhad (formerly known as Bank Pembangunan dan Infrastruktur Malaysia Berhad ("BPI")) Facilities ("the BPI Facilities").

The rights, titles, interests and benefits of MBNS of the following were also assigned for the BPI Facilities:
(i) All Asia Broadcast Centre leased land;
(ii) Malaysia East Asia Satellite 1 ("M1") transponder lease agreement with MEASAT Satellite Systems Sdn Bhd, the transponder insurance and the broadcasters all risks policies; and
(iii) Agreement for the supply of daughter smartcards and the Mediaguard system licence agreement, both with the Societe Europeene de Controle D'acces; and Mediahighway licence agreement with Canal+.

Further to the repayment and cancellation of the BPI Facilities, BPI had vide its letter of 28 June 2006, released MBNS and Digicast from all liabilities and obligations under the relevant facility agreement and security documents and steps are currently being undertaken to discharge the securities.

(4) The Company has obtained a USD300m Guaranteed Term and Revolving Facilities on 18 October 2004 ("the USD Facilities") arranged by Citibank Malaysia (L) Limited and DBS Bank Limited. The USD Facilities which comprise Tranche A (USD150m), Tranche B (USD75m) and Tranche C (USD75m), will be guaranteed by MBNS and Airtime Management and Programming Sdn Bhd ("AMP") and used to reimburse debt settlement and/or to finance general corporate purposes and working capital of the Company and its subsidiaries. AMP had on 7 March 2006 become a guarantor under the USD Facilities.

20. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no outstanding off balance sheet financial instruments as at 8 September 2006.

21. CHANGES IN MATERIAL LITIGATION

There were no material litigation matters dealt with during the period or pending as at 8 September 2006.

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22. REVIEW OF PERFORMANCE

(A) Performance of the current quarter (Second Quarter 2007) against the preceding quarter (First Quarter 2007)

For the quarter ended 31 July 2006, Group revenue increased to RM569.1m, while EBITDA was RM126.6m. Net profit declined to RM73.0m over the preceding quarter.

	All amounts in RM million unless otherwise stated			
	FINANCIAL HIGHLIGHTS		**KEY OPERATING INDICATORS**	
	SECOND QUARTER 31/07/2006	FIRST QUARTER 30/04/2006	**SECOND QUARTER 31/07/2006**	FIRST QUARTER 30/04/2006
Consolidated Performance				
Total Revenue	**569.1**	523.0		
Customer Acquisition Costs (CAC)[2]	**85.3**	50.1		
EBITDA[3]	**126.6**	151.0		
EBITDA Margin (%)	**22.2**	28.9		
Net Profit	**73.0**	90.5		
Free Cash Flow[4]	**49.4**	113.2		
Net Increase in Cash	**50.0**	103.9		
Capital expenditure[5]	**53.7**	29.5		
(i) Multi channel TV(MC-TV)[1]				
Subscription revenue	**453.4**	432.5		
Advertising revenue	**43.5**	28.1		
Other revenue	**8.9**	9.1		
Total revenue	**505.8**	469.7		
CAC[2]	**85.3**	50.1		
EBITDA[3]	**132.6**	154.7		
EBITDA Margin (%)	**26.2**	32.9		
Capital expenditure[5]	**29.2**	27.1		
Total subscriptions-net additions ('000)			**101**	45
Total subscriptions-end of period ('000)			**2,087**	1,986
Residential customers-net additions ('000)			**91**	39
Residential customers-end of period ('000)			**1,914**	1,823

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22. REVIEW OF PERFORMANCE (Continued)

(A) Performance of the current quarter (Second Quarter 2007) against the preceding quarter (First Quarter 2007) (continued)

All amounts in RM million unless otherwise stated

	FINANCIAL HIGHLIGHTS		KEY OPERATING INDICATORS	
	SECOND QUARTER 31/07/2006	FIRST QUARTER 30/04/2006	**SECOND QUARTER 31/07/2006**	FIRST QUARTER 30/04/2006
(i) Multi channel TV(MC-TV)[1] (continued)				
ARPU – residential customer (RM)			**79**	79
MAT Churn (%)			**11.9**	13.9
CAC per set-top box sold (RM)			**617**	664
Content cost (RM per customer per mth)			**27**	24
(ii) Radio[1]				
Revenue	**37.4**	33.2		
EBITDA[3]	**17.1**	12.2		
EBITDA Margin (%)	**45.7**	36.7		
Listeners ('000)[6]			**11,300**	11,300
Share of radio adex (%)[7]			**81**	84
(iii) Library Licensing and Distribution[1]				
Revenue	**17.2**	16.1		
EBITDA[3]	**(9.9)**	(10.5)		
EBITDA Margin (%)	**n/m**	n/m		
Titles released for distribution			**21**	28
(iv) Others				
Magazines – average monthly circulation (including ASTRO TV Guide) ('000)			**1,949**	1,876
Malaysian film production – theatrical release			**2**	-

Note :

1. Represents segment performance before inter-segment eliminations. (Inter-segment revenue - MCTV - RM0.1m[Q2FY07], RM Nil [O1FY07]; Radio - RM1.1m[Q2FY07], RM0.6m[Q1FY07]; Library Licensing - RM3.8m[Q2FY07], RM3.0m[Q1FY07]).
2. Customer acquisition cost is the cost incurred in activating new customers for the period under review, in the multi-channel subscription television service, including sales and marketing related expenses and subsidised set-top box equipment costs.
3. Earnings before interest, taxation, depreciation and amortisation (EBITDA) represents profit/(loss) before net finance costs, taxation, impairment and depreciation of property, plant and equipment, amortisation of intangible assets such as software (but excluding amortisation of film library and programme rights which are expensed as part of cost of sales) and share of post tax results from associates & overseas investments.
4. Free cash flow represents the net cash flows arising from operating and investing activities of the Group.
5. Capital expenditure represents expenditure on acquiring property, plant and equipment, including capitalised software costs.
6. Based on the Radio Listenership Survey Sweep 1, 2006 performed by NMR in April 2006.
7. Based on NMR Adex Report.

22. REVIEW OF PERFORMANCE (continued)

(A) Performance of the current quarter (Second Quarter 2007) against the preceding quarter (First Quarter 2007) (continued)

<u>**Consolidated Performance**</u>

Turnover

For the current quarter under review, Group revenue increased RM46.1m or 8.8% to RM569.1m from RM523.0m in the preceding quarter, attributed to higher subscription revenue from MC-TV segment and higher advertising revenue from MC-TV and Radio segments.

EBITDA

Group EBITDA decreased to RM126.6m from RM151.0m in the preceding quarter due to the reversal of accruals in the preceding quarter of RM19.9m in relation to the cost of set-top boxes and higher customer acquisition costs, offset by revenue growth in the current quarter.

Cash Flow

Net increase in cash was RM50.0m compared to an increase of RM103.9m in the preceding quarter, mainly due to lower free cash generated.

Free cash flow generated was RM49.4m compared to RM113.2m in the preceding quarter, mainly due to expenditure incurred for PTDV, expenditure on the broadcast facility at Cyberjaya, purchases of fixed assets and changes in working capital due to the payment of set-top boxes.

Capital Expenditure

Group capital expenditure was RM53.7m from capital expenditure incurred for PTDV and on the broadcast facility at Cyberjaya.

Net Profit

Group net profit decreased by RM17.5m to RM73.0m from RM90.5m, mainly due to lower EBITDA and higher net finance costs. Net finance costs were higher, attributed to the write-off of debt issuing cost for the BPI Facilities (following the cancellation of the BPI Facilities) in the current quarter.

22. REVIEW OF PERFORMANCE (continued)

(A) Performance of the current quarter (Second Quarter 2007) against the preceding quarter (First Quarter 2007) (continued)

Multi channel TV

MC-TV segment achieved total revenue of RM505.8m, which was RM36.1m or 7.7% higher than the preceding quarter. The increase was from higher subscription income and advertising revenue mainly from World Cup and Akademi Fantasia 4 ("AF4").

Residential customer net additions of 91,200 increased by 52,700 or 136.9% from 38,500 in the preceding quarter as a result of higher gross additions and reconnections culminating from strong interests in World Cup and AF4, as shown in the table below:

Residential customer ('000)	Second Quarter 2007	First Quarter 2007	Variance
Gross additions	123.1	98.4	24.7
Churn	(31.9)	(59.9)	28.0
Net additions	91.2	38.5	52.7

MAT churn improved to 11.9% from 13.9% in the preceding quarter.

ARPU was RM78.6 compared to RM78.7 in the preceding quarter, supported by higher interactive services income from AF4.

CAC per box sold was RM617 representing a reduction of RM47 from RM664 in the preceding quarter mainly due to lower set-top box costs.

Radio

Radio's revenue of RM37.4m was RM4.2m or 12.7% higher than RM33.2m in the preceding quarter mainly due to higher radio advertising revenue.

Library Licensing and Distribution

Revenue of RM17.2m for Library Licensing and Distribution was RM1.1m or 6.8% higher than RM16.1m in the preceding quarter. The increase was due to higher licensing revenue from the Movie Channel business, partially offset by lower licensing income from film distribution business.

(B) Performance of the current six months ended 31 July 2006 (First Half 2007) against the corresponding six months ended 31 July 2005 (First Half 2006)

Group revenue for First Half 2007 increased to RM1,092.1m while EBITDA increased to RM277.6m. Group net profit also increased to RM163.5m.

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(B) Performance of the current six months ended 31 July 2006 (First Half 2007) against the corresponding six months ended 31 July 2005 (First Half 2006) (continued)

	All amounts in RM million unless otherwise stated			
	FINANCIAL HIGHLIGHTS		KEY OPERATING INDICATORS	
	SIX MTHS ENDED 31/07/2006	SIX MTHS ENDED 31/07/2005	**SIX MTHS ENDED 31/07/2006**	SIX MTHS ENDED 31/07/2005
Consolidated Performance				
Total Revenue	**1,092.1**	972.6		
Customer Acquisition Costs (CAC)[2]	**135.4**	191.3		
EBITDA[3]	**277.6**	163.6		
EBITDA Margin (%)	**25.4**	16.8		
Net Profit	**163.5**	83.8		
Free Cash Flow[4]	**162.6**	112.7		
Net Increase in Cash	**153.9**	86.3		
Capital expenditure[5]	**83.2**	48.2		
(i) Multi channel TV(MC-TV)[1]				
Subscription revenue	**885.9**	798.5		
Advertising revenue	**71.6**	54.1		
Other revenue	**18.0**	17.1		
Total revenue	**975.5**	869.7		
CAC[2]	**135.4**	191.3		
EBITDA[3]	**287.3**	182.7		
EBITDA Margin (%)	**29.5**	21.0		
Capital expenditure[5]	**56.3**	41.9		
Total subscriptions-net additions (’000)			**146**	142
Total subscriptions-end of period (’000)			**2,087**	1,840
Residential customers-net additions (’000)			**130**	130
Residential customers-end of period (’000)			**1,914**	1,696
ARPU – residential customer (RM)			**78**	80
MAT Churn (%)			**11.9**	9.4
CAC per set-top box sold (RM)			**637**	762
Content cost (RM per customer per mth)			**25**	25

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22. REVIEW OF PERFORMANCE (continued)

(B) Performance of the current six months ended 31 July 2006 (First Half 2007) against the corresponding six months ended 31 July 2005 (First Half 2006) (continued)

	All amounts in RM million unless otherwise stated			
	FINANCIAL HIGHLIGHTS		KEY OPERATING INDICATORS	
	SIX MTHS ENDED 31/07/2006	SIX MTHS ENDED 31/07/2005	**SIX MTHS ENDED 31/07/2006**	SIX MTHS ENDED 31/07/2005
(ii) Radio[1]				
Revenue	**70.6**	66.2		
EBITDA[3]	**29.3**	22.4		
EBITDA Margin (%)	**41.5**	33.8		
Listeners ('000)[6]			**11,300**	10,407
Share of radio adex (%)[7]			**81**	80
(iii) Library Licensing and Distribution[1]				
Revenue	**33.3**	29.7		
EBITDA[3]	**(20.4)**	(33.6)		
EBITDA Margin (%)	**n/m**	n/m		
Titles released for distribution			**49**	68
(iv) Others				
Magazines – average monthly circulation (including ASTRO TV Guide) ('000)			**1,913**	1,702
Malaysian film production – theatrical release			**2**	-

Note :
1. Represents segment performance before inter-segment eliminations. (Inter-segment revenue - MCTV - RM0.1m[H1FY07], RM0.9m [H1FY06]; Radio - RM1.7m[H1FY07], RM1.5m[H1FY06]; Library Licensing – RM6.8m[H1FY07], RM5.0m[H1FY06]).
2. Customer acquisition cost is the cost incurred in activating new customers for the period under review, in the multi-channel subscription television service, including sales and marketing related expenses and subsidised set-top box equipment costs.
3. Earnings before interest, taxation, depreciation and amortisation (EBITDA) represents profit/(loss) before net finance costs, taxation, impairment and depreciation of property, plant and equipment, amortisation of intangible assets such as software (but excluding amortisation of film library and programme rights which are expensed as part of cost of sales) and share of post tax results from associates & overseas investments.
4. Free cash flow represents the net cash flows arising from operating and investing activities of the Group.
5. Capital expenditure represents expenditure on acquiring property, plant and equipment, including capitalised software costs.
6. Based on the Radio Listenership Survey Sweep 1, 2006 and Sweep 1, 2005 performed by NMR in April 2006 and April 2005 respectively.
7. Based on NMR Adex Report.

22. REVIEW OF PERFORMANCE (continued)

(B) Performance of the current six months ended 31 July 2006 (First Half 2007) against the corresponding six months ended 31 July 2005 (First Half 2006) (continued)

<u>**Consolidated Performance**</u>

Turnover

The Group recorded consolidated revenue of RM1,092.1m which was RM119.5m or 12.3% higher than RM972.6m recorded in First Half 2006. The increase was mainly driven by higher subscription revenue from MC-TV segment, which rose RM87.4m or 10.9% due to an enlarged customer base. Advertising revenue also increased by RM21.9m from MC-TV and Radio segments, while Library Licensing and Distribution segment's revenue improved by RM3.6m to RM33.3m.

EBITDA

Group EBITDA of RM277.6m increased by RM114.0m or 69.7% from RM163.6m in First Half 2006. The improvement was due to revenue growth and lower customer acquisition costs, partially offset by higher content costs and overheads.

Cash Flow

The increase in cash of RM153.9m compared to an increase of RM86.3m in First Half 2006 was mainly due to higher free cash generated of RM49.9m and lower interest paid of RM10.8m in the current period. The increase in free cash was driven by improved EBITDA.

Capital Expenditure

Group capital expenditure totalled RM83.2m from capital expenditure incurred for PTDV and on the broadcast facility at Cyberjaya.

Net Profit

Group net profit of RM163.5m improved by RM79.7m over net profit of RM83.8m in First Half 2006. The improvement was attributable to better EBITDA results, partially offset by higher share of post tax results from associates & overseas investments and higher tax expense.

22. REVIEW OF PERFORMANCE (continued)

(B) Performance of the current six months ended 31 July 2006 (First Half 2007) against the corresponding six months ended 31 July 2005 (First Half 2006) (continued)

Multi channel TV

MC-TV segment's total revenue of RM975.5m was RM105.8m or 12.2% higher than First Half 2006. The increase was driven by higher subscription and advertising revenues as a result of continuing growth in the business.

Residential customer net additions were 129,700 which decreased slightly by 500 or 0.4% compared to 130,200 in First Half 2006.

MAT churn increased from 9.4% in First Half 2006 to 11.9% in First Half 2007.

ARPU of RM78.2 was lower than First Half 2006 ARPU of RM79.6 due to lower subscription ARPU from changes in customer mix resulting in higher take-ups of lower-priced packages by new customers.

CAC per box sold was RM637 representing a reduction of RM125 from RM762 in First Half 2006 mainly due to the reduction in set-top box contract price.

Radio

Radio's revenue of RM70.6m was RM4.4m or 6.6% higher than RM66.2m for First Half 2006. This improvement was driven by higher radio advertising revenue.

Library Licensing and Distribution

Library Licensing and Distribution generated revenue of RM33.3m which was RM3.6m or 12.1% higher than RM29.7m in First Half 2006. The increase was principally due to higher Movie Channel licensing revenue and other film content distribution revenue, partially offset by lower distribution licensing income derived from Shaw titles.

PART B – EXPLANATORY NOTES IN COMPLIANCE WITH BURSA MALAYSIA REQUIREMENT UNDER PART A of APPENDIX 9B

23. PROSPECTS RELATING TO FINANCIAL YEAR ENDING 31 JANUARY 2007

We continue to experience strong demand for our TV services as we invest in new programming and extend distribution of our services. Demand in the 2nd Quarter was exceptionally strong due to the World Cup broadcast and we do not expect this to continue at the same levels for the rest of the financial year. Inflationary pressures are also expected to have an impact on consumer demand for the rest of the financial year.

The advertisement market is seeing increased competition as current and new players in the free-to-air segments and radio sector expand their offerings, widening choices for advertisers. However, we have introduced a number of initiatives to maintain market share by driving revenues and containing costs to preserve margins.

With broader penetration of the mass urban market, content development remains key. We will thus continue to invest substantial sums developing channels to address the needs of our evolving customer base. We launched 7 new channels and made these available to all existing customers. While these new services are not expected to generate revenues for the current financial year, we expect an overall improvement to current levels of churn. We have stabilised our CRM system and have experienced improved customer care servicing levels.

Outside Malaysia, we are focused on expanding our international footprint in the content and platform distribution business. In Indonesia, we are awaiting the completion of all the shareholder-related documentation, which is pending final regulatory approvals, including formal satellite landing right authorisation. In the circumstances, the Indonesian operations are performing satisfactorily and we expect the operations to perform at the current levels for the rest of the financial year. In advance of the completion of final documentation, Group earnings have reflected 20% of the start-up losses, as disclosed in Note 18(a)(2).

In China, an ASTRO joint-venture company has secured approval and a 25-year business licence to offer advertising agency services in the country. The joint-venture will initially provide marketing and airtime management services to 7 radio stations in Zhejiang Province, and subsequently expand its services to other media companies, particularly in the TV broadcasting segment in other territories across China. This venture is not expected to contribute to our results for the current financial year.

Barring unforeseen circumstances and the aforesaid, the Board of Directors expect the operating and financial performance for the financial period ending 31 January 2007 to be generally in line with expectations.

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24. PROFIT FORECAST

Not applicable as the Group did not publish any profit forecast.

25. DIVIDENDS

The Board of Directors is pleased to declare an interim tax-exempt dividend ("Interim Dividend") of 2 sen per ordinary share (First Half 2006: 1.5 sen per ordinary share) in respect of the financial year ending 31 January 2007. The Interim Dividend will be paid on 19 October 2006 to depositors who are registered in the Record of Depositors at the close of business on 27 September 2006.

A depositor will qualify for entitlement to the Interim Dividend only in respect of:

(a) shares transferred to the depositor's securities account before 4.00pm on 27 September 2006 in respect of transfers; and
(b) shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

ASTRO ALL ASIA NETWORKS plc

(Incorporated in England and Wales under the United Kingdom Companies Act 1985 – No. 4841085)
(Registered as a foreign company in Malaysia under the Companies Act 1965 – No. 994178-M)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 31 JULY 2006

PART B – EXPLANATORY NOTES IN COMPLIANCE WITH BURSA MALAYSIA REQUIREMENT UNDER PART A of APPENDIX 9B

26. EARNINGS PER SHARE

The basic and diluted earnings per share for the reporting period are computed as follows:

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED 31/07/06	QUARTER ENDED 31/07/05	**SIX MTHS ENDED 31/07/06**	SIX MTHS ENDED 31/07/05
(1) Basic earnings per share					
Profit attributable to equity holders of the Company	RM'm	**73.0**	44.0	**163.5**	83.8
Weighted average number of ordinary shares	'm	**1,927.8**	1,923.1	**1,927.6**	1,922.9
Basic earnings per share	sen	**3.79**	2.29	**8.48**	4.36
(2) Diluted earnings per share					
Profit attributable to equity holders of the Company	RM'm	**73.0**	44.0	**163.5**	83.8
Weighted average number of ordinary shares	'm	**1,927.8**	1,923.1	**1,927.6**	1,922.9
Adjusted for share options granted	'm	**3.4**	10.9	**3.5**	12.2
Adjusted weighted average number of ordinary shares	'm	**1,931.2**	1,934.0	**1,931.1**	1,935.1
Diluted earnings per share*	sen	**3.78**	2.28	**8.47**	4.33

(*) The diluted earnings per share is calculated based on the dilutive effects of 59,937,650 options under the ESOS and MSIS.

By order of the Board

Lakshmi Nadarajah (LS No. 9057)
Company Secretary

8 September 2006

Kuala Lumpur