ASTRO ALL ASIA NETWORKS plc

**(Incorporated in England and Wales – No. 4841085)**
**(Registered as a foreign company in Malaysia – No. 994178-M)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**
**FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 JANUARY 2009**

## 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 fourth quarter and financial year ended 31 January 2009 which should be read in conjunction with the audited statutory financial statements presented for the financial year ended 31 January 2008.

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

| | | INDIVIDUAL QUARTER | | | CUMULATIVE QUARTER | | |
|---|---|---|---|---|---|---|---|
| | Note | **QUARTER ENDED 31/01/2009** | QUARTER ENDED 31/01/2008 | +/- | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 | +/- |
| | | **RM'm** | RM'm | % | **RM'm** | RM'm | % |
| Revenue | 8 | **774.6** | 710.0 | +9% | **2,971.5** | 2,601.7 | +14% |
| Cost of sales (excluding set-top box subsidies) | | **(379.1)** | (377.0) | | **(1,445.9)** | (1,317.6) | |
| Gross profit (excluding set-top box subsidies) | | **395.5** | 333.0 | | **1,525.6** | 1,284.1 | |
| Set-top box subsidies | | **(67.1)** | (64.2) | | **(274.9)** | (215.0) | |
| Gross profit | | **328.4** | 268.8 | +22% | **1,250.7** | 1,069.1 | +17% |
| Other operating income | | **11.1** | 5.7 | | **31.3** | 15.0 | |
| Marketing and distribution costs | | **(81.4)** | (79.5) | | **(300.9)** | (250.0) | |
| Administrative expenses [(1)] | | **(110.7)** | (113.4) | | **(444.7)** | (402.1) | |
| Other operating expenses [(2)] | | **(8.3)** | (1.7) | | **(10.2)** | (3.3) | |
| | | **139.1** | 79.9 | +74% | **526.2** | 428.7 | +23% |
| Amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development | 18 | **(46.2)** | (74.4) | | **(687.4)** | (227.4) | |
| Profit/(loss) from operations [(3)] | 8 | **92.9** | 5.5 | +1589% | **(161.2)** | 201.3 | -180% |
| Finance (costs)/income (net) | | **(39.0)** | 18.1 | | **(131.0)** | 31.0 | |
| Share of post tax results from investments accounted for using the equity method | | **(34.1)** | (6.2) | | **(80.1)** | (95.7) | |
| Profit/(loss) before taxation | | **19.8** | 17.4 | +14% | **(372.3)** | 136.6 | -373% |
| Taxation | 15 | **(48.7)** | (36.5) | | **(158.2)** | (148.5) | |
| Loss for the period | | **(28.9)** | (19.1) | +51% | **(530.5)** | (11.9) | +4358% |
| Attributable to: | | | | | | | |
| Equity holders of the Company | | **(28.9)** | (18.0) | +60% | **(529.2)** | (6.2) | +8435% |
| Minority interests | | **-** | (1.1) | | **(1.3)** | (5.7) | |
| | | **(28.9)** | (19.1) | | **(530.5)** | (11.9) | |

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**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS (continued)**

| | Note | **INDIVIDUAL QUARTER** | | **CUMULATIVE QUARTER** | |
|---|---|---|---|---|---|
| | | **QUARTER ENDED 31/01/2009** | QUARTER ENDED 31/01/2008 | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 |
| Loss per share: | 26 | **Sen** | Sen | **Sen** | Sen |
| - Basic | | **(1.49)** | (0.93) | **(27.36)** | (0.32) |
| - Diluted | | * | * | * | * |

(*) Not applicable as the options under the ESOS and MSIS would decrease the loss per share for the year/period.

**<u>Notes</u>**

[(1)] The increase/(decrease) in administrative expenses in the current quarter and year ended 31 January 2009 is due to:

| | Quarter Ended RM'm | Year Ended RM'm |
|---|---|---|
| Administrative expenses for quarter/year ended 31/01/2008 | 113.4 | 402.1 |
| - increase in impairment of receivables | 2.7 | 17.6 |
| - increase in depreciation and amortisation of fixed assets | 2.5 | 10.9 |
| - (Decrease)/increase in overheads | (7.9) | 14.1 |
| Administrative expenses for quarter/year ended 31/01/2009 | 110.7 | 444.7 |

[(2)] Other operating expenses in the current quarter and year ended 31 January 2009 consist of the following Corporate Responsibility (CR) programme costs:

| | Quarter Ended RM'm | Year Ended RM'm |
|---|---|---|
| - Education based initiatives such as Kampus Astro and Astro scholarship awards | 7.8 | 9.7 |
| - Community/performing arts based initiatives | 0.5 | 0.5 |
| | 8.3 | 10.2 |

[(3)] The profit/(loss) from operations has been arrived at after charging:

| | **INDIVIDUAL QUARTER** | | **CUMULATIVE QUARTER** | |
|---|---|---|---|---|
| | **QUARTER ENDED 31/01/2009** | QUARTER ENDED 31/01/2008 | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 |
| | **RM'm** | RM'm | **RM'm** | RM'm |
| Depreciation of property, plant & equipment | **28.4** | 25.9 | **107.0** | 96.5 |
| Amortisation of film library & programme rights | **67.9** | 91.8 | **283.9** | 220.9 |
| Amortisation of other intangible assets | **10.5** | 7.2 | **39.6** | 31.3 |
| Impairment of property, plant & equipment | **9.1** | - | **44.1** | - |
| Impairment of film library & programme rights | **3.6** | 0.7 | **65.4** | 41.9 |

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## CONDENSED CONSOLIDATED BALANCE SHEET

| | Note | **AS AT 31/01/2009 RM'm Unaudited** | AS AT 31/01/2008 RM'm Audited |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 9 | **992.2** | 1,025.3 |
| Interest in investments accounted for using the equity method | | **526.8** | 387.7 |
| Deferred tax assets | | **129.8** | 256.0 |
| Financial asset (other investments) | | **3.0** | 3.0 |
| Film library and programme rights | | **276.9** | 315.6 |
| Other intangible assets (1) | | **163.7** | 137.1 |
| | | **2,092.4** | 2,124.7 |
| **CURRENT ASSETS** | | | |
| Inventories | | **39.1** | 39.6 |
| Receivables and prepayments | | **679.5** | 462.0 |
| Derivative financial instruments | | **2.4** | - |
| Tax recoverable | | **2.5** | 1.8 |
| Cash and cash equivalents | | **1,058.1** | 986.8 |
| | | **1,781.6** | 1,490.2 |
| **CURRENT LIABILITIES** | | | |
| Payables | | **1,218.0** | 1,022.9 |
| Derivative financial instruments | | **23.6** | 0.1 |
| Borrowings | 19 | **393.7** | 21.6 |
| Current tax liabilities | | **3.2** | 4.0 |
| | | **1,638.5** | 1,048.6 |
| **NET CURRENT ASSETS** | | **143.1** | 441.6 |
| **NON-CURRENT LIABILITIES** | | | |
| Payables | | **286.2** | 170.2 |
| Deferred tax liabilities | | **12.5** | 10.7 |
| Borrowings | 19 | **1,137.3** | 765.0 |
| | | **1,436.0** | 945.9 |
| | | **799.5** | 1,620.4 |

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## CONDENSED CONSOLIDATED BALANCE SHEET (continued)

| | Note | AS AT 31/01/2009 RM'm Unaudited | AS AT 31/01/2008 RM'm Audited |
|---|---|---|---|
| **CAPITAL AND RESERVES** | | | |
| **Attributable to equity holders of the Company :** | | | |
| Share capital | | **1,200.0** | 1,200.0 |
| Share premium | | **31.6** | 31.6 |
| Merger reserve | | **518.4** | 518.4 |
| Exchange reserve | | **(126.3)** | (71.8) |
| Hedging reserve | | **(21.2)** | (0.1) |
| Other reserve | | **97.0** | 83.1 |
| Accumulated losses | | **(900.0)** | (142.1) |
| | | **799.5** | 1,619.1 |
| **Minority interests** | | **-** | 1.3 |
| **Total equity** | | **799.5** | 1,620.4 |
| **NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (RM)** [2] | | **0.41** | 0.84 |

Notes:

[1] Other intangible assets consist of software costs of RM149.7m (including broadcast facility at Cyberjaya of RM28.6m) (31/01/2008: RM114.7m), rights and licenses of RM13.7m (31/01/2008: RM22.1m) and goodwill on consolidation of RM0.3m (31/01/2008: RM0.3m).

[2] Net assets attributable to equity holders of the Company of RM799.5m (31/01/2008: RM1,619.1m) are stated after the writing off of total subsidised set-top box equipment costs cumulative to-date of RM2,324.0m (31/01/2008: RM2,049.1m).

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## QUARTERLY REPORT ON CONSOLIDATED RESULTS
## FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 JANUARY 2009

## 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 | | | | | | | | |
| Year ended 31/01/2009 | Number of shares | Nominal value | Share premium | Merger reserve | Exchange reserve | Hedging reserve | Other reserve | Accumu-lated 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 2008 | 1,934.0 | 1,200.0 | 31.6 | 518.4 | (71.8) | (0.1) | 83.1 | (142.1) | 1,619.1 | 1.3 | 1,620.4 |
| Currency translation differences | - | - | - | - | (54.5) | - | - | - | (54.5) | - | (54.5) |
| Cash flow hedge: | | | | | | | | | | | |
| - Fair value gain/(losses) on hedging instrument | - | - | - | - | - | (14.6) | - | - | (14.6) | - | (14.6) |
| - Transfer to income statement | - | - | - | - | - | (6.5) | - | - | (6.5) | - | (6.5) |
| Net gain/ (losses) recognised directly in equity | - | - | - | - | (54.5) | (21.1) | - | - | (75.6) | - | (75.6) |
| Loss for the year | - | - | - | - | - | - | - | (529.2) | (529.2) | (1.3) | (530.5) |
| Total recognised income and expenses | - | - | - | - | (54.5) | (21.1) | - | (529.2) | (604.8) | (1.3) | (606.1) |
| Share options: | | | | | | | | | | | |
| - Proceeds from shares issued * | - | - | - | - | - | - | - | - | - | - | - |
| - Value of employee services | - | - | - | - | - | - | 13.9 | - | 13.9 | - | 13.9 |
| Dividends | - | - | - | - | - | - | - | (228.7) | (228.7) | - | (228.7) |
| | - | - | - | - | - | - | 13.9 | (228.7) | (214.8) | - | (214.8) |
| As at 31 January 2009 | 1,934.0 | 1,200.0 | 31.6 | 518.4 | (126.3) | (21.2) | 97.0 | (900.0) | 799.5 | - | 799.5 |

* As disclosed in Note 6.

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**FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 JANUARY 2009**

## 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 | | | | | | | | |
| Year ended 31/01/2008 | 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 2007 | 1,932.7 | 1,199.2 | 27.6 | 518.4 | (30.7) | 12.0 | 58.8 | 56.5 | 1,841.8 | 5.6 | 1,847.4 |
| Currency translation differences | - | - | - | - | (41.1) | - | - | - | (41.1) | - | (41.1) |
| Cash flow hedge: - Fair value loss on hedging instrument | - | - | - | - | - | (3.2) | - | - | (3.2) | - | (3.2) |
| - Transfer to income statement | - | - | - | - | - | (8.9) | - | - | (8.9) | - | (8.9) |
| Net losses recognised directly in equity | - | - | - | - | (41.1) | (12.1) | - | - | (53.2) | - | (53.2) |
| Loss for the year | - | - | - | - | - | - | - | (6.2) | (6.2) | (5.7) | (11.9) |
| Total recognised losses | - | - | - | - | (41.1) | (12.1) | - | (6.2) | (59.4) | (5.7) | (65.1) |
| Share options: - Proceeds from shares issued | 1.3 | 0.8 | 4.0 | - | - | - | - | - | 4.8 | - | 4.8 |
| - Value of employee services | - | - | - | - | - | - | 25.3 | - | 25.3 | - | 25.3 |
| - Transfer upon exercise | - | - | - | - | - | - | (1.0) | 1.0 | - | - | - |
| Dilution of equity interest in a subsidiary | - | - | - | - | - | - | - | - | - | 1.4 | 1.4 |
| Dividends | - | - | - | - | - | - | - | (193.4) | (193.4) | - | (193.4) |
| | 1.3 | 0.8 | 4.0 | - | - | - | 24.3 | (192.4) | (163.3) | 1.4 | (161.9) |
| As at 31 January 2008 | 1,934.0 | 1,200.0 | 31.6 | 518.4 | (71.8) | (0.1) | 83.1 | (142.1) | 1,619.1 | 1.3 | 1,620.4 |

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## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 JANUARY 2009

## UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| | CUMULATIVE QUARTER | |
|---|---|---|
| | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 |
| | **RM'm** | RM'm |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Loss for the year | **(530.5)** | (11.9) |
| Contra arrangements – revenue | **(4.8)** | (4.5) |
| Value of employee services – share options | **13.9** | 25.3 |
| Interest income | **(36.3)** | (38.3) |
| Interest expense | **89.8** | 47.2 |
| Gain from derivative financial instruments | **(6.5)** | (9.5) |
| Unrealised foreign exchange loss/(gain) | **83.8** | (30.3) |
| Taxation | **158.2** | 148.5 |
| Property, plant and equipment | | |
| - Depreciation | **107.0** | 96.5 |
| - Loss/(gain) on disposal | **-** | (0.7) |
| Film library and programme rights | | |
| - Amortisation | **234.6** | 205.1 |
| - Impairment | **6.5** | 5.4 |
| Other intangible assets | | |
| - Amortisation | **39.6** | 31.3 |
| Dilution of interest in a subsidiary | **-** | (0.3) |
| Write-down of inventories | **(2.6)** | - |
| Amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development | **687.4** | 227.4 |
| Share of post tax results from investments accounted for using the equity method | **80.1** | 95.7 |
| | **920.2** | 786.9 |
| Changes in working capital: | | |
| Film library and programme rights | **(289.0)** | (278.9) |
| Inventories | **(110.1)** | 13.5 |
| Receivables and prepayments | **(208.1)** | (104.4) |
| Payables | **(80.1)** | 149.9 |
| Cash generated from operations | **232.9** | 567.0 |
| Income tax paid | **(13.8)** | (8.7) |
| Interest received | **36.1** | 36.2 |
| Net cash flow from operating activities | **255.2** | 594.5 |

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## UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT (continued)

| | CUMULATIVE QUARTER | |
|---|---|---|
| | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 |
| | **RM'm** | RM'm |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Investment in cumulative redeemable convertible preference shares | **(2.1)** | (54.6) |
| Purchase of investments accounted for using the equity method | **(248.8)** | (369.2) |
| Capital repayment from a jointly controlled entity | **2.9** | - |
| Repayment of advance from associate | **-** | 2.1 |
| Proceeds from disposal of associates | **-** | 0.5 |
| Proceeds form shares issued to minority interests | **-** | 1.3 |
| Proceeds from disposal of property, plant and equipment | **0.5** | 0.9 |
| Acquisition of intangibles | **(70.2)** | (33.9) |
| Purchase of property, plant and equipment | **(103.9)** | (171.5) |
| Net cash flow used in investing activities | **(421.6)** | (624.4) |
| ***Net cash flow used in operating and investing activities**** | ***(166.4)*** | *(29.9)* |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Dividends paid | **(228.7)** | (193.4) |
| Interest paid | **(83.5)** | (49.6) |
| Drawdown of borrowings | **628.3** | 266.8 |
| Proceeds from realisation of interest rate swap contract | **6.5** | 11.2 |
| Issuance of shares pursuant to exercise of share options | **-** | 4.8 |
| Repayment of finance lease liabilities | **(73.7)** | (33.8) |
| Repayment of borrowings | **(16.1)** | (63.5) |
| Net cash flow from / (used in) financing activities | **232.8** | (57.5) |
| Net effect of currency translation on cash and cash equivalents | **4.9** | (1.5) |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | **71.3** | (88.9) |
| **CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD** | **986.8** | 1,075.7 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | **1,058.1** | 986.8 |

**(*)** Represents free cash flow.

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## 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 2008.

The accounting policies used by the Group in the quarterly report comply with the principles of the International Financial Reporting Standards ("IFRSs") adopted by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") 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 2008.

The adoption of the following Interpretation did not affect the Group's results or financial position for the period:

- IFRIC 11 – Group and Treasury Share Transactions

The Group's share of losses in Sun Direct TV Private Limited ("Sun Direct TV") was based on Sun Direct TV's unaudited management accounts for the year ended 31 January 2009.

### 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 operations of the Group were not significantly affected by seasonality and cyclical factors during the quarter under review.

### 4. UNUSUAL ITEMS

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flows during the quarter under review, except as disclosed in Note 18.

### 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

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year ended, 31 January 2009 other than 3,000 new ordinary shares were issued for a cash consideration of RM10,950 pursuant to the exercise of share options under the ESOS.

## 7. DIVIDENDS PAID

The following dividend payments were made during the financial year to-date:

| | Total RM'm |
|---|---|
| In respect of the financial year ended 31 January 2008: | |
| - Third interim dividend of 3.0 sen per share consisting of gross dividend of 2.7 sen per share less 25% Malaysian income tax and tax exempt dividend of 0.3 sen per share, paid on 24 April 2008 | **45.0** |
| - Final tax exempt dividend of 2.0 sen per share, paid on 29 August 2008 | **38.7** |
| In respect of the financial year ending 31 January 2009: | |
| - First interim tax exempt dividend of 2.5 sen per share, paid on 31 July 2008 | **48.3** |
| - Second interim tax exempt dividend of 2.5 sen per share, paid on 23 October 2008 | **48.3** |
| - Third interim tax exempt dividend of 2.5 sen per share, paid on 21 January 2009 | **48.4** |
| | **228.7** |

## 8. SEGMENT RESULTS AND REPORTING

The Group is organised in the following business segments:

- Malaysian multi channel television – provides multi channel Direct-to-Home subscription television and related interactive television services in Malaysia.
- Radio – provides radio broadcasting services.
- Library licensing and distribution – the ownership of a library of Chinese film entertainment and the aggregation and distribution of the library and related content.
- Television programming – creation, aggregation and distribution of television programming.
- Others – a magazine publishing business; interactive content business for the mobile telephony platform; Malaysian film production business; talent management; creation of animation content; ownership of buildings; Group's regional investments in media businesses and investment holding companies.

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.

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

## 8. SEGMENT RESULTS AND REPORTING (continued)

A new segment, namely television programming, has been designated as a reportable segment during the year. The changes in the identification of the reportable segments did not affect the Group's results or financial position for the year. The comparatives in respect of segment reporting, however have been restated.

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | **QUARTER ENDED 31/01/09** | QUARTED ENDED 31/01/08 | **YEAR ENDED 31/01/09** | YEAR ENDED 31/01/08 |
| | **RM'm** | RM'm | **RM'm** | RM'm |
| **Revenue** | | | | |
| Malaysian multi channel television | | | | |
| External revenue | **689.0** | 624.0 | **2,662.8** | 2,324.3 |
| Inter-segment revenue | **(3.4)** | 0.6 | **(5.4)** | 1.0 |
| Malaysian multi channel television revenue | **685.6** | 624.6 | **2,657.4** | 2,325.3 |
| Radio | | | | |
| External revenue | **45.9** | 44.9 | **180.5** | 166.6 |
| Inter-segment revenue | **0.2** | 0.2 | **1.2** | 2.4 |
| Radio revenue | **46.1** | 45.1 | **181.7** | 169.0 |
| Library licensing and distribution | | | | |
| External revenue | **14.3** | 22.7 | **52.6** | 58.6 |
| Inter-segment revenue | **7.7** | 6.7 | **29.8** | 28.2 |
| Library licensing and distribution revenue | **22.0** | 29.4 | **82.4** | 86.8 |
| Television programming | | | | |
| External revenue | **6.9** | 0.8 | **14.5** | 7.1 |
| Inter-segment revenue | **56.7** | 58.0 | **219.2** | 175.6 |
| Television programming revenue | **63.6** | 58.8 | **233.7** | 182.7 |
| Others | | | | |
| External revenue | **18.5** | 17.5 | **61.1** | 45.1 |
| Inter-segment revenue | **80.2** | 101.1 | **355.1** | 360.5 |
| Others revenue | **98.7** | 118.6 | **416.2** | 405.6 |
| Total reportable segments | **916.0** | 876.5 | **3,571.4** | 3,169.4 |
| Eliminations | **(141.4)** | (166.5) | **(599.9)** | (567.7) |
| Total group revenue | **774.6** | 710.0 | **2,971.5** | 2,601.7 |

## 8. SEGMENT RESULTS AND REPORTING (continued)

| | **INDIVIDUAL QUARTER** | | **CUMULATIVE QUARTER** | |
|---|---|---|---|---|
| | **QUARTER ENDED 31/01/09** | QUARTER ENDED 31/01/08 | **YEAR ENDED 31/01/09** | YEAR ENDED 31/01/08 |
| | **RM'm** | RM'm | **RM'm** | RM'm |
| **Profit/(loss) from operations by segment** | | | | |
| Malaysian multi channel television | **154.3** | 95.8 | **593.7** | 490.9 |
| Radio | **21.3** | 20.1 | **72.2** | 63.6 |
| Library licensing and distribution | **(7.0)** | (12.5) | **(33.1)** | (29.0) |
| Television programming | **(12.1)** | (186.0) | **(56.3)** | (221.4) |
| Others/eliminations | **(17.4)** | 162.5 | **(50.3)** | 124.6 |
| | **139.1** | 79.9 | **526.2** | 428.7 |
| Amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development | **(46.2)** | (74.4) | **(687.4)** | (227.4) |
| Profit/(loss) from operations | **92.9** | 5.5 | **(161.2)** | 201.3 |

## 9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

There were no revaluations of property, plant and equipment during the year ended. As at 31 January 2009, 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 during the period from the end of the year under review to 17 March 2009.

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

## 11. CHANGES IN THE COMPOSITION OF THE GROUP

### (a) Acquisition of a wholly-owned subsidiary

On 7 November 2008, ASTRO All Asia Entertainment Networks Limited acquired 1 share of HKD1.00 each in All Asia Digital Media Limited, a private company incorporated in Hong Kong, for a cash consideration of HKD1.00. The principal activity of All Asia Digital Media Limited is investment holding.

### (b) Investment in unquoted shares

On 23 December 2008, Media Networks Limited ("MNL") subscribed for 360,000 new shares representing 11.25% equity interest in FNBC Media and Information Technology Application Joint Stock Company ("FNBC"), for a cash consideration of VND20,520,000,000. In addition, on 23 December 2008, MNL also acquired 280,000 shares from existing shareholders of FNBC representing 8.75% equity interest in FNBC for a cash consideration of VND14,817,360,000. Following the completion of the subscription and acquisition of shares, MNL has a shareholding interest of 20% in FNBC.

FNBC is a Vietnamese joint stock company and is engaged in the business of provision of television content and related media services.

## 12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### (a) Contingent liabilities

As at 31 January 2009, the Group has provided guarantees to third parties amounting to RM50.6m, of which RM49.1m was in respect of loan facility secured by a jointly controlled entity and RM1.5m in respect of licence fees in subsidiaries.

### (b) Contingent assets

There were no significant contingent assets as at 31 January 2009.

## 13. COMMITMENTS

As at 31 January 2009, the Group has the following commitments:

| | Authorised and | | |
|---|---|---|---|
| | **Contracted for** | **Not contracted for** | **Total** |
| | **RM'm** | **RM'm** | **RM'm** |
| Capital expenditure | **47.7** | **251.1** | **298.8** |
| Investment in an associate | **18.0** | **-** | **18.0** |
| Investment in a joint venture | **169.5** | **-** | **169.5** |
| Film library and programme rights | **81.8** | **170.2** | **252.0** |
| Non-cancellable operating lease | **29.3** | **-** | **29.3** |
| Non-cancellable finance lease | **262.0** | **-** | **262.0** |
| | **608.3** | **421.3** | **1,029.6** |

## 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 |
|---|---|
| Kristal-Astro Sdn Bhd | Associate of the Company |
| AETN All Asia Networks Pte Ltd | Jointly controlled entity of the Company |
| Maxis Broadband Sdn Bhd | Subsidiary of Maxis Communications Berhad |
| Maxis Mobile Services Sdn Bhd (formerly known as 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 |
| Yes Television (Hong Kong) Limited ("Yes TV") | Yes TV is a substantial shareholder of two subsidiaries in the Group. Two of Yes TV's directors are also directors in these subsidiaries. |

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 YEAR ENDED 31/01/09 | AMOUNTS DUE FROM AS AT 31/01/09 |
|---|---|---|
| | RM'm | RM'm |
| **(a) Sales of goods and services** | | |
| Kristal-Astro Sdn Bhd (Sales of programme rights, technical support and other services) | **26.3** | **20.0** |
| AETN All Asia Networks Pte Ltd (Playout channel service fee and subtitling services) | **5.4** | **5.3** |
| Maxis Broadband Sdn Bhd (Multimedia and interactive sales and other services) | **2.1** | **0.7** |
| Maxis Mobile Services Sdn Bhd (Multimedia and interactive sales and other services) | **8.4** | **3.7** |

## 14. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

| | TRANSACTIONS FOR THE YEAR ENDED 31/01/09 | AMOUNTS DUE TO AS AT 31/01/09 |
|---|---|---|
| | RM'm | RM'm |
| **(b) Purchases of goods and services** | | |
| AETN All Asia Networks Pte Ltd (Turnaround channel transmission rights) | **13.1** | **7.0** |
| Maxis Broadband Sdn Bhd (Telecommunication services and other charges) | **8.9** | **3.5** |
| UTSB Management Sdn Bhd (Personnel, strategic, consultancy and support services) | **15.4** | **31.2** |
| SRG Asia Pacific Sdn Bhd (Interaction call center services and other charges) | **1.5** | **1.1** |
| MEASAT Satellite Systems Sdn Bhd (Expenses and payment related to finance lease, rental and other charges) | **76.4** | **4.1** |
| Yes TV (Personnel, strategic, consultancy and support services) | **2.9** | **0.8** |

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS**
**FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 JANUARY 2009**

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

## 15. TAXATION

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | **QUARTER ENDED 31/01/09** | QUARTER ENDED 31/01/08 | **YEAR ENDED 31/01/09** | YEAR ENDED 31/01/08 |
| | **RM'm** | RM'm | **RM'm** | RM'm |
| Current tax | **5.7** | 1.1 | **30.3** | 9.8 |
| Deferred tax | **43.0** | 35.4 | **127.9** | 138.7 |
| | **48.7** | 36.5 | **158.2** | 148.5 |

The estimated effective tax rate was higher than the Malaysian statutory tax rate due to:-

i) losses in foreign subsidiaries, associates & overseas investments and certain Malaysian subsidiaries which were not available for tax relief at Group level; and

ii) non-deductibility of certain operating expenses for tax purposes.

Reconciliation of the estimated income tax expense applicable to profit/(loss) before taxation at the Malaysian statutory rate to estimated income tax expense at the effective tax rate of the Group is as follows:

| | **QUARTER ENDED 31/01/09** | **YEAR ENDED 31/01/09** |
|---|---|---|
| | **RM'm** | **RM'm** |
| Profit/(loss) before taxation | **19.8** | **(372.3)** |
| Tax at Malaysian statutory tax rate of 25% | **(5.0)** | **93.1** |
| Tax effect of: | | |
| Losses in foreign subsidiaries not available for tax relief at Group level | **(14.5)** | **(161.1)** |
| Share of post tax results from investments accounted for using the equity method | **(8.5)** | **(20.0)** |
| Others (including expenses not deductible for tax purposes and income not subject to tax) | **(20.7)** | **(70.2)** |
| Taxation charge | **(48.7)** | **(158.2)** |

## 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 the financial year.

## 17. QUOTED SECURITIES

There were no quoted securities acquired or disposed during the quarter and the financial year.

## 18. STATUS OF CORPORATE PROPOSALS ANNOUNCED

(1) Participation in multi-channel digital satellite pay television and multimedia business in Indonesia

By a Subscription and Shareholders' Agreement dated 11 March 2005 ("SSA"), the Group together with PT Ayunda Prima Mitra ("PTAPM"), a subsidiary of PT First Media Tbk ("PTFM") (formerly known as PT Broadband Multimedia Tbk), agreed to participate in PT Direct Vision ("PTDV"), to provide multi-channel digital satellite pay television and multimedia services in Indonesia ("Indonesian Venture"). PTAPM and PTFM are collectively referred to as "Lippo". The service was launched by PTDV on 28 February 2006 under a trademark licence agreement with MEASAT Broadcast Network Systems Sdn Bhd ("MBNS").

A dispute arose concerning the SSA, and the parties failed to complete the Indonesian Venture. Accordingly, the Group decided to terminate all support and services and to withdraw the use of the Astro trademark.

On 18 August 2008, the Group issued termination notices to PTDV, PTAPM and PTFM with respect to all support and services being provided to PTDV, giving notice of the cessation of such support and services. Simultaneously, notice was given that the trademark licence agreement entered into by PTDV with MBNS would not be renewed on its expiry on 31 August 2008.

However, pursuant to a request by PTDV, the Group has as a gesture of goodwill and in good faith agreed to continue providing support and services and has granted an extension of the trademark licence agreement for a further period of thirty days expiring on 30 September 2008 and then again, to 19 October 2008.

As no payments have been received from PTDV, the Board decided to cease all support and services and to terminate the trademark licence agreement effective 0001 hours on 20 October 2008.

On 6 October 2008, the Group filed a Notice of Arbitration at the Singapore International Arbitration Centre to commence arbitration proceedings naming as respondents PTAPM, PTFM and PTDV. The Group is seeking certain declaratory and injunctive relief and also seeks monetary compensation in relation to the parties' failure to conclude the joint venture.

The Board has considered the carrying value of certain assets and commitments previously associated with the Indonesian venture, following the cessation of services to PTDV and their recoverability in the context of the current economic conditions and ongoing litigation. In the current quarter, the Group has recorded RM46.2m (from an amount of RM75m previously disclosed as potential provision) for commitments in relation to contractual obligations associated with its content production & distribution business in Indonesia and impairment of assets. The cumulative amount provided for the cessation of the DTH business proposal in Indonesia including the expenses previously incurred in its development to date was RM1,155.8m.

## 18. STATUS OF CORPORATE PROPOSALS ANNOUNCED (continued)

(2) Proposed joint venture to develop, procure, aggregate, market and distribute content for fixed and mobile platforms

The Company, through its wholly-owned subsidiary, ASTRO Overseas Limited ("AOL"), had on 27 October 2008, entered into a conditional shareholders agreement ("SHA") with Saudi Telecommunication Company ("STC") and Saudi Research and Marketing Group ("SRMG") in relation to the establishment of a joint venture entity in the Middle East to develop, produce, procure, aggregate, market, distribute and sell media content and content related intellectual property rights for the purposes of distribution or broadcasting on fixed and mobile platforms (including but not limited to mobile TV, IPTV and any other digital platform) ("JVC"). JVC is intended to serve the primary market of STC in the Kingdom of Saudi Arabia, and may potentially be extended to other countries in the Middle East and North African region and South Africa.

The proposed joint venture is to be jointly held through an investment company to be incorporated in Bahrain as a closed Joint Stock Company ("InvestCo"), whose sole object will be to hold 100% equity interest in JVC. Immediately following the incorporation of InvestCo, InvestCo shall establish the JVC.

As at 17 March 2009, the proposed joint venture is subject to and pending fulfillment of conditions precedent.

## 19. GROUP BORROWINGS AND DEBT SECURITIES

The amount of Group borrowings and debt securities as at 31 January 2009 are as follows:

| | Current | Non-current | Total |
|---|---|---|---|
| | **RM'm** | **RM'm** | **RM'm** |
| Unsecured | | | |
| USD Facilities[1] – USD144.8m* | **356.9** | **160.6** | **517.5** |
| | | | |
| Secured | | | |
| Syndicated term and revolving facilities[2] – USD100.7m* | **-** | **363.4** | **363.4** |
| Bank loan[3] – INR49.0m | **3.9** | **-** | **3.9** |
| Finance lease liabilities[4] | **32.9** | **613.3** | **646.2** |
| | **393.7** | **1,137.3** | **1,531.0** |

* Including accrued interests

Notes:

(1) On 18 April 2007, Tranche A (USD150m) of the Company's USD300m Guaranteed Term and Revolving Facilities secured on 18 October 2004 ("USD Facilities") lapsed. On 14 December 2007, the facility documentation was amended and the guarantees provided by MEASAT Broadcast Network Systems Sdn Bhd and Airtime Management and Programming Sdn Bhd were released. With the amendment, availability of the balance USD Facilities is subject to annual extension up to the final maturity dates of 18 October 2009 (USD100m) and 18 October 2010 (USD45m).

(2) The Company's wholly-owned subsidiary, ASTRO Global Ventures (L) Ltd had on 7 March 2008 entered into a syndicated term and revolving facilities ("Facilities") agreement arranged by Citibank Malaysia (L) Limited and DBS Bank Ltd.

The Facilities comprise commitments in US Dollars which are guaranteed by the Company and a proposed Ringgit term loan facility to be obtained by the Company, aggregating up to a sum of USD300m. The Facilities have a tenure of 5 years from the date of the relevant facility agreement and can be utilised to meet the Group's funding requirements and general working capital.

(3) Standby letters of credit have been provided as security for the bank loan.

(4) Finance lease liabilities include the lease of transponders on the Malaysia East Asia Satellite 3 from MEASAT Satellite Systems Sdn Bhd, a related party. The finance lease liabilities are effectively secured on the basis that the rights of the leased asset revert to the lessor in the event of default.

## 20. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 17 March 2009. The Group adopts IAS 39 – 'Financial Instruments: Recognition and Measurement' which requires all financial instruments to be recognised in the financial statements.

## 21. CHANGES IN MATERIAL LITIGATION

Save as disclosed below, neither the Company nor its subsidiary companies has been or are involved in any material litigation, claims or arbitration either as plaintiff or defendant.

(1) ASTRO All Asia Networks plc and/or its group of companies as plaintiff(s)

Pursuant to the Subscription and Shareholders Agreement dated 11 March 2005 ("SSA") entered into between certain Astro affiliates ("Astro") and PT Ayunda Prima Mitra ("PT APM"), PT First Media Tbk ("PT FM") and PTDV, any dispute arising out of or in relation to the Indonesian Venture shall be resolved by way of arbitration commenced by any party to the SSA through the Singapore International Arbitration Centre ("SIAC"). The arbitration proceedings, including the making of an award, shall take place at the SIAC and the award of the arbitrators shall be final and binding upon the parties.

On 6 October 2008, Astro issued a notice of arbitration to PT APM, PT FM and PTDV (collectively, "Respondents") notifying the Respondents of the commencement of arbitration proceedings on certain disputes in relation to the Indonesian Venture. Astro is claiming for injunctive and declaratory relief, damages and for the recovery of all monies due to Astro for the provision of services and/or amount expended or paid to PTDV, together with interest.

Astro has on 13 February 2009, filed its statement of case with the tribunal.

(2) ASTRO All Asia Networks plc and/or its group of companies as defendant(s)

(i) Ruling of the Komisi Pengawas Persaingan (KPPU)

In response to complaints by several parties, the KPPU, an Indonesian regulatory body, ruled on 29 August 2008 ("KPPU Ruling") that All Asia Multimedia Networks FZ-LLC (AAMN), a wholly-owned subsidiary of the Company, was in breach of competition laws in Indonesia. In its decision, the KPPU ordered, amongst other things, AAMN to maintain and protect the interest of pay TV consumers in Indonesia by maintaining cordial business relations with PTDV and to continue providing content to PTDV until legal settlement is made in connection with the ownership status of PTDV.

On 8 October 2008, AAMN filed an appeal with the Central Jakarta District Court against the findings of the KPPU.

On 2 December 2008, the Central Jakarta District Court dismissed the appeal by AAMN against the KPPU Ruling. AAMN has on 15 December 2008 filed a Notice of Appeal to request the Supreme Court of Indonesia to review the decision of the Central Jakarta District Court.

## 21. CHANGES IN MATERIAL LITIGATION (continued)

(ii) Sky Vision Objection

PT MNC Sky Vision ("Sky Vision"), the operator of the Indovision pay- TV service in Indonesia, has filed an objection against the KPPU Ruling, naming the KPPU as Petitionee and the Company, AAMN and 2 others as Co-Petitionees.

Sky Vision is arguing that, among other things, the KPPU Ruling releasing all reported parties from the charge under Indonesian Competition Law was wrong. It also challenged the KPPU Ruling not to grant Sky Vision's request for compensation, and is seeking the cancellation of the agreement related to the transfer of BPL period 2007-2010 and compensation in an amount of Rp.1,299,986,368,000.00.

Without prejudice to all questions of service and jurisdiction, the Company was represented by counsel at the first hearing at the West Jakarta District Court on 9 February 2009. The Court has adjourned the hearing to 11 May 2009.

(iii) PT APM Claim

PT APM has filed a claim by way of a civil suit in the South Jakarta District Court naming as defendants, the Company, MEASAT Broadcast Network Systems Sdn Bhd ("MBNS"), AAMN and ten (10) others.

PT APM is alleging that the Company, MBNS and AAMN along with the other defendants, have acted unlawfully and is seeking, among other reliefs, to compel a completion of an 'oral' joint venture agreement in PT DV and to prohibit the Company from ceasing the provision of services to PT DV and/or entering into any cooperation with another party relating to subscriber pay TV in Indonesia, and an award of damages.

Without prejudice to all questions of service and jurisdiction, the Company, MBNS and AAMN attended mediation sessions which the South Jakarta District Court had directed to be held as part of a preliminary but mandatory process prescribed under Indonesian procedural rules. The mediation process has been stopped by order of the court-appointed mediator and the case has been returned to the panel of District Court judges. Astro has since filed an application to challenge the jurisdiction of the Court on the grounds that PT APM's claim is a dispute which falls squarely within the scope of a binding arbitration agreement set out in the SSA and arbitration proceedings have, in fact, been filed in Singapore.

(iv) South Jakarta Class Action

Subscribers of PT DV have filed a class action civil suit at the South Jakarta District Court ("South Jakarta Class Action") against the Company, MBNS and AAMN over the terminated broadcast services. The subscribers are seeking, among others, an injunction to compel the Astro companies to continue their services and support to PTDV and damages for loss of subscription fees paid in advance, installation fees and losses due to having switched over to PT DV.

The Company has been advised by its solicitors that the notice of the South Jakarta Class Action has to date not been properly served on the Astro companies in accordance with Indonesian law. Without prejudice to all questions of service and jurisdiction, the Company and MBNS were represented by counsel at the hearing on 3 March 2009. The court has adjourned the hearing to 5 May 2009.

The Company has been advised that there are compelling arguments to support our defence against the claims disclosed above. Accordingly, no provision has been recognised in the financial statements.

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

## 22. REVIEW OF PERFORMANCE

### (A) Performance of the current quarter (Fourth Quarter 2009) against the preceding quarter (Third Quarter 2009)

For the current quarter, Group revenue increased to RM774.6m from RM744.5m, whilst EBITDA increased to RM177.9m from RM154.1m in preceding quarter. Net loss of RM28.9m for the quarter was lower by RM221.5m than preceding quarter of RM250.4m due to lower costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development of RM218.2m (4QFY09: RM46.2m, 3QFY09: RM264.4m).

**All amounts in RM million unless otherwise stated**

| | FINANCIAL HIGHLIGHTS | | KEY OPERATING INDICATORS | |
|---|---|---|---|---|
| | **FOURTH QUARTER 31/01/2009** | THIRD QUARTER 31/10/2008 | **FOURTH QUARTER 31/01/2009** | THIRD QUARTER 31/10/2008 |
| **Consolidated Performance** | | | | |
| Total Revenue | **774.6** | 744.5 | | |
| Customer Acquisition Costs (CAC)[2] | **105.1** | 108.6 | | |
| EBITDA[3] | **177.9** | 154.1 | | |
| EBITDA Margin (%) | **23.0** | 20.7 | | |
| Net Loss | **(28.9)** | (250.4) | | |
| Free Cash Flow[4] | **44.0** | (70.8) | | |
| Net (Decrease)/Increase in Cash | **(69.4)** | 45.4 | | |
| Capital expenditure[5] | **29.9** | 48.7 | | |
| **(i) Malaysian Multi channel TV(MC-TV)[1]** | | | | |
| Subscription revenue | **637.6** | 618.6 | | |
| Advertising revenue | **34.1** | 39.1 | | |
| Other revenue | **13.9** | 4.3 | | |
| Total revenue | **685.6** | 662.0 | | |
| CAC[2] | **105.1** | 108.6 | | |
| EBITDA[3] | **184.3** | 176.6 | | |
| EBITDA Margin (%) | **26.9** | 26.7 | | |
| Capital expenditure[5] | **24.0** | 45.3 | | |

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

**22. REVIEW OF PERFORMANCE (continued)**

**(A) Performance of the current quarter (Fourth Quarter 2009) against the preceding quarter (Third Quarter 2009) (continued)**

**All amounts in RM million unless otherwise stated**

| | FINANCIAL HIGHLIGHTS | | KEY OPERATING INDICATORS | |
|---|---|---|---|---|
| | **FOURTH QUARTER 31/01/2009** | THIRD QUARTER 31/10/2008 | **FOURTH QUARTER 31/01/2009** | THIRD QUARTER 31/10/2008 |
| **(i) Malaysian Multi channel TV(MC-TV)[1] (continued)** | | | | |
| Total subscriptions-net additions ('000) | | | **81** | 100 |
| Total subscriptions-end of period ('000) | | | **2,869** | 2,788 |
| Residential customers-net additions ('000) | | | **81** | 96 |
| Residential customers-end of period ('000) | | | **2,646** | 2,565 |
| ARPU – residential customer (RM) | | | **80** | 81 |
| MAT Churn (%) | | | **9.7** | 9.8 |
| CAC per set-top box sold (RM) | | | **710** | 653 |
| Content cost (RM per customer per mth) | | | **30** | 30 |
| **(ii) Radio[1]** | | | | |
| Revenue | **46.1** | 49.5 | | |
| EBITDA[3] | **23.5** | 22.3 | | |
| EBITDA Margin (%) | **51.0** | 45.1 | | |
| Listeners ('000)[6] | | | **11,005** | 11,005 |
| Share of radio adex (%)[7] | | | **65** | 62 |
| **(iii) Library Licensing and Distribution[1]** | | | | |
| Revenue | **22.0** | 25.3 | | |
| EBITDA[3] | **(6.9)** | (3.5) | | |
| EBITDA Margin (%) | **n/m** | n/m | | |

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

## 22. REVIEW OF PERFORMANCE (continued)

**(A) Performance of the current quarter (Fourth Quarter 2009) against the preceding quarter (Third Quarter 2009) (continued)**

**All amounts in RM million unless otherwise stated**

| | FINANCIAL HIGHLIGHTS | | KEY OPERATING INDICATORS | |
|---|---|---|---|---|
| | **FOURTH QUARTER 31/01/2009** | THIRD QUARTER 31/10/2008 | **FOURTH QUARTER 31/01/2009** | THIRD QUARTER 31/10/2008 |
| **(iv) Television Programming[1]** | | | | |
| Revenue | **63.6** | 49.2 | | |
| EBITDA[3] | **(10.0)** | (30.4) | | |
| EBITDA Margin (%) | **n/m** | n/m | | |
| Channel share – Malaysia (%)[8] | **35.7** | 33.8 | | |
| **(v) Others** | | | | |
| Magazines – average monthly circulation (including ASTRO TV Guide) ('000) | | | **412** | 415 |
| Malaysian film production – theatrical release | | | **2** | 1 |

Note :

1. Represents segment performance before inter-segment eliminations. (Inter-segment revenue – MC-TV – RM(3.4m) [Q4FY09], RM(0.9m) [Q3FY09]; Radio – RM0.2m [Q4FY09], RM0.7m [Q3FY09]; Library Licensing and Distribution – RM7.7m [Q4FY09], RM7.6m [Q3FY09]; Television Programming – RM56.7m [Q4FY09], RM45.0m [Q3FY09]).
2. Customer acquisition cost for the period under review, is the cost incurred in activating new customers 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), impairment of investments, share of post tax results from investments accounted for using the equity method, amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development.
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 2, 2008 performed by NMR in August 2008.
7. Based on NMR Adex Report.
8. Based on data generated by the AGB Nielsen Media Research Television Audience Measurement service for the quarter.

## 22. REVIEW OF PERFORMANCE (continued)

### (A) Performance of the current quarter (Fourth Quarter 2009) against the preceding quarter (Third Quarter 2009) (continued)

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

**Turnover**

Group revenue increased by RM30.1m or 4.0% to RM774.6m from RM744.5m in preceding quarter. This was mainly driven by increase in MC-TV subscription revenue vis-à-vis continued growth in customer base as well as higher program sales in MC-TV.

**EBITDA**

Group EBITDA of RM177.9m was higher by RM23.8m or 15.4% compared to preceding quarter of RM154.1m, primarily due to higher revenue.

**Cash Flow**

The Group recorded a net decrease in cash of RM69.4m compared to an increase of RM45.4m in preceding quarter as there was no drawdown from the Group's financing facility in the current quarter while RM241.1m (USD71.0m) was drawn down in preceding quarter. This was partially offset by higher operating cash flow and lower capital expenditure.

**Capital Expenditure**

Group capital expenditure of RM29.9m in the current quarter, which was lower by RM18.8m or 38.6% compared to preceding quarter of RM48.7m, primarily due to lower capital expenditure incurred for IT systems and upgrading of All Asia Broadcast Centre Facility.

**Net Loss**

The Group recorded a net loss of RM28.9m in the current quarter, RM221.5m better than preceding quarter, due to lower costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development of RM218.2m (4QFY09: RM46.2m, 3QFY09: RM264.4m).

## 22. REVIEW OF PERFORMANCE (continued)

### (A) Performance of the current quarter (Fourth Quarter 2009) against the preceding quarter (Third Quarter 2009) (continued)

**Malaysian Multi channel TV**

MC-TV recorded an increase in revenue of RM23.6m or 3.6% to RM685.6m from RM662.0m in preceding quarter. This was primarily due to higher subscription revenue.

Residential customers registered gross additions of 146,900 whilst absolute churn was 65,900 customers in the current quarter. As a result, MC-TV recorded net additions of 81,000 to 2.646m customers during the current quarter from 2.565m in preceding quarter. MAT churn improved marginally to 9.7% from 9.8% in the preceding quarter.

| Residential customer ('000) | Fourth Quarter 2009 | Third Quarter 2009 | Variance |
|---|---|---|---|
| Gross additions | 146.9 | 163.5 | (16.6) |
| Churn | (65.9) | (67.4) | 1.5 |
| Net additions | 81.0 | 96.1 | (15.1) |

ARPU was RM80 in current quarter compared to RM81 in preceding quarter. The lower ARPU was mainly due to higher take-ups of value for money basic packages by new customers.

CAC per box sold increased by RM57 to RM710 from RM653 in preceding quarter. This was mainly due to higher subsidy and marketing costs per unit.

**Radio**

Airtime sales decreased by RM3.4m or 6.9% to RM46.1m in current quarter as compared to RM49.5m in preceding quarter.

**Library Licensing and Distribution**

Revenue decreased by RM3.3m or 13.0% to RM22.0m from RM25.3m in preceding quarter mainly due to lower channel licensing revenue.

**Television Programming**

Revenue increased by RM14.4m or 29.3% to RM63.6m from RM49.2m in preceding quarter.

## 22. REVIEW OF PERFORMANCE (continued)

**(B) Performance of the current financial year ended 31 January 2009 (FY 2009) against the corresponding financial year ended 31 January 2008 (FY 2008)**

Group revenue grew by RM369.8m or 14.2% to RM2,971.5m, whilst EBITDA increased by RM114.0m or 20.5% to RM670.5m. However, the Group recorded a net loss of RM529.2m, which was higher by RM523.0m compared to RM6.2m in FY 2008, primarily due to RM460.0m increase in costs associated with cessation of DTH business proposal in Indonesia and expenses previously incurred in its development (FY 2009: RM687.4m, FY 2008: RM227.4m) and higher net finance costs of RM162.0m; which was partially offset by higher EBITDA.

| | All amounts in RM million unless otherwise stated | | | |
|---|---|---|---|---|
| | FINANCIAL HIGHLIGHTS | | KEY OPERATING INDICATORS | |
| | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 |
| **Consolidated Performance** | | | | |
| Total Revenue | **2,971.5** | 2,601.7 | | |
| Customer Acquisition Costs (CAC)[2] | **437.6** | 353.3 | | |
| EBITDA[3] | **670.5** | 556.5 | | |
| EBITDA Margin (%) | **22.6** | 21.4 | | |
| Net Loss | **(529.2)** | (6.2) | | |
| Free Cash Flow[4] | **(166.4)** | (29.9) | | |
| Net Increase/ (decrease) in Cash | **71.3** | (88.9) | | |
| Capital expenditure[5] | **186.1** | 207.6 | | |
| **(i) Malaysian Multi channel TV(MC-TV)[1]** | | | | |
| Subscription revenue | **2,466.4** | 2,147.8 | | |
| Advertising revenue | **159.3** | 147.8 | | |
| Other revenue | **31.7** | 29.7 | | |
| Total revenue | **2,657.4** | 2,325.3 | | |
| CAC[2] | **437.6** | 353.3 | | |
| EBITDA[3] | **703.6** | 604.8 | | |
| EBITDA Margin (%) | **26.5** | 26.0 | | |
| Capital expenditure[5] | **154.7** | 164.2 | | |

ASTRO ALL ASIA NETWORKS plc

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

**22. REVIEW OF PERFORMANCE (continued)**

**(B) Performance of the current financial year ended 31 January 2009 (FY 2009) against the corresponding financial year ended 31 January 2008 (FY 2008) (continued)**

| | All amounts in RM million unless otherwise stated | | | |
|---|---|---|---|---|
| | FINANCIAL HIGHLIGHTS | | KEY OPERATING INDICATORS | |
| | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 |
| **(i) Malaysian Multi channel TV(MC-TV)[1] (continued)** | | | | |
| Total subscriptions-net additions ('000) | | | **387** | 281 |
| Total subscriptions-end of period ('000) | | | **2,869** | 2,482 |
| Residential customers-net additions ('000) | | | **374** | 256 |
| Residential customers-end of period ('000) | | | **2,646** | 2,272 |
| ARPU – residential customer (RM) | | | **82** | 82 |
| MAT Churn (%) | | | **9.7** | 10.1 |
| CAC per set-top box sold (RM) | | | **704** | 698 |
| Content cost (RM per customer per mth) | | | **31** | 29 |
| **(ii) Radio[1]** | | | | |
| Revenue | **181.7** | 169.0 | | |
| EBITDA[3] | **82.7** | 71.1 | | |
| EBITDA Margin (%) | **45.5** | 42.1 | | |
| Listeners ('000)[6] | | | **11,005** | 10,616 |
| Share of radio adex (%)[7] | | | **64** | 68 |
| **(iii) Library Licensing and Distribution[1]** | | | | |
| Revenue | **82.4** | 86.8 | | |
| EBITDA[3] | **(32.4)** | (27.7) | | |
| EBITDA Margin (%) | **n/m** | n/m | | |

## 22. REVIEW OF PERFORMANCE (continued)

**(B) Performance of the current financial year ended 31 January 2009 (FY 2009) against the corresponding financial year ended 31 January 2008 (FY 2008) (continued)**

| | All amounts in RM million unless otherwise stated | | | |
|---|---|---|---|---|
| | FINANCIAL HIGHLIGHTS | | KEY OPERATING INDICATORS | |
| | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 | **YEAR ENDED 31/01/2009** | YEAR ENDED 31/01/2008 |
| **(iv) Television Programming[1]** | | | | |
| Revenue | **233.7** | 182.7 | | |
| EBITDA[3] | **(48.2)** | (47.7) | | |
| EBITDA Margin (%) | **n/m** | n/m | | |
| Channel share – Malaysia (%)[8] | **35.5** | 27.1 | | |
| **(v) Others** | | | | |
| Magazines – average monthly circulation (including ASTRO TV Guide) ('000) | | | **575** | 2,194 |
| Malaysian film production – theatrical release | | | **4** | 5 |

Note :

1. Represents segment performance before inter-segment eliminations. (Inter-segment revenue – MC-TV – RM(5.4)m) [FY 2009], RM1.0m [FY 2008]; Radio – RM1.2m [FY 2009], RM2.4m [FY 2008]; Library Licensing and Distribution – RM29.8m [FY 2009], RM28.2m [FY 2008]; Television Programming – RM219.2m [FY 2009], RM175.6m [FY 2008]).
2. Customer acquisition cost for the period under review is the cost incurred in activating new customers 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), impairment of investments, share of post tax results from investments accounted for using the equity method, amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development.
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 2, 2008 and Sweep 2, 2007 performed by NMR in August 2008 and September 2007 respectively.
7. Based on NMR Adex Report.
8. Based on data generated by the AGB Nielsen Media Research Television Audience Measurement service for the period.

**22. REVIEW OF PERFORMANCE (continued)**

**(B) Performance of the current financial year ended 31 January 2009 (FY 2009) against the corresponding financial year ended 31 January 2008 (FY 2008) (continued)**

__Consolidated Performance__

**Turnover**

For financial year ended 31 January 2009, the Group revenue rose by RM369.8m or 14.2% to RM2,971.5m from RM2,601.7m in FY 2008. The increase was mainly contributed by higher subscription revenue in MC-TV (RM318.6m), higher advertising revenue in MC-TV (RM11.5m) and Radio (RM12.7m).

**EBITDA**

Group EBITDA of RM670.5m was RM114.0m or 20.5% higher than RM556.5m in FY 2008, primarily due to revenue growth; and was partially offset by higher content costs and higher customer acquisition costs due to growth in customer base.

**Cash Flow**

The Group recorded net increase in cash of RM71.3m in FY 2009, arising from debt drawdown of RM611.3m (USD186.1m) under the USD Facilities and syndicated term and revolving facilities; partially offset by investment in India, M3 satellite transponders lease payments of RM67.4m and dividend payments of RM228.7m.

**Capital Expenditure**

Group capital expenditure of RM186.1m was lower by RM21.5m or 10.4% from RM207.6m in FY 2008. This was primarily due to capital expenditure incurred for set top box development in FY 2008; partially offset by upgrading of IT systems in FY 2009.

**Net Loss**

The Group recorded a higher net loss to RM529.2m from RM6.2m in FY 2008. This was principally due to RM460.0m increase in costs associated with cessation of DTH business proposal in Indonesia and expenses previously incurred in its development (FY 2009: RM687.4m, FY 2008: RM227.4m) and higher net finance costs of RM162.0m; which was partially offset by higher EBITDA.

**22. REVIEW OF PERFORMANCE (continued)**

**(B) Performance of the current financial year ended 31 January 2009 (FY 2009) against the corresponding financial year ended 31 January 2008 (FY 2008) (continued)**

**Malaysian Multi channel TV**

MC-TV revenue of RM2,657.4m, grew by RM332.1m or 14.3% compared to RM2,325.3m in FY 2008, mainly driven by growth in customer base.

Residential customers net additions was 374,000 for FY 2009, bringing total residential customer to 2.646m compared with 2.272m in FY 2008.

MAT churn improved to 9.7% from 10.1% in FY 2008.

ARPU of RM82 was consistent with FY 2008.

CAC per box was higher by RM6 to RM704 from RM698 in FY 2008. This was due to higher subsidy; partially offset by lower marketing costs per unit.

**Radio**

Radio revenue of RM181.7m was higher by RM12.7m or 7.5% compared to RM169.0m in FY 2008, primarily due to rate card revision in March 2008 and attractive sales packages.

**Library Licensing and Distribution**

Library Licensing and Distribution revenue of RM82.4m was lower by RM4.4m or 5.1% against RM86.8m in FY 2008, mainly due to lower film content distribution revenue.

**Television Programming**

Television Programming revenue of RM233.7m was higher by RM51.0m or 27.9% than RM182.7m in FY 2008, mainly driven by growth in customer base.

**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 2010

The Malaysian pay-TV business achieved record high subscriber additions for its financial year ended 31 January 2009, while churn remained within its targeted levels. Pay-TV subscriber growth was underpinned by a strategy focused on targeting new customers through the Group's continuing investment in local content.

With the current economic uncertainties, the Group must be cautious and manage the business with a high regard for conserving cash and minimizing costs. However, the Group believes it can continue to grow the Malaysian pay-TV, radio and content businesses by strengthening their value propositions to achieve better market share and implementing effective cost management measures to sustain margins and profit growth. The Group remains focused on product and service improvement and ongoing innovation.

Sun Direct, a leading provider of Direct-To-Home satellite TV services in India and in which the Group owns a 20% equity stake, continued to grow driven by continuing demand for high-quality pay-TV services. Services were initially launched in southern India but were subsequently expanded to all the major metropolitan areas across the country. Sun Direct now has over 2.5 million subscribers. Consistent with the Group's accounting policies, the Group will account for its anticipated share of Sun Direct TV's losses of up to approximately INR7,470m (RM575m).

During the year, the Group has accounted for RM687.4 million of cost incurred in providing services and support to a previously proposed joint venture in Indonesia. While this has had a very significant impact on the Group's results for the current year, the Board believes that adequate provision has been made for costs associated with the now terminated business proposal. As set out in Note 21, various legal actions have now commenced in respect of developments in Indonesia and the Group is required to account for costs associated with these actions as they are incurred.

Other than the foregoing, the Board of Directors is not aware of any other matters that might be expected to have a material impact on the operating performance, cash flows and financial position of the Group for the financial year ending 31 January 2010.

## 24. PROFIT FORECAST

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

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## 25. DIVIDENDS

Further to the third interim dividend paid on 21 January 2009, the Board of Directors hereby recommends a final tax exempt dividend of 2.5 sen per share ("Final Dividend") in respect of the financial year ended 31 January 2009, subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting. The Final Dividend will be paid on a date to be determined.

## 26. LOSS PER SHARE

The basic and diluted loss per share for the reporting year/period are computed as follows:

| | | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|---|
| | | **QUARTER ENDED 31/01/09** | QUARTER ENDED 31/01/08 | **YEAR ENDED 31/01/09** | YEAR ENDED 31/01/08 |
| **Basic and diluted loss per share** | | | | | |
| Loss attributable to equity holders of the Company | RM'm | **(28.9)** | (18.0) | **(529.2)** | (6.2) |
| Weighted average number of ordinary shares | 'm | **1,934.0** | 1,934.0 | **1,934.0** | 1,933.8 |
| Basic loss per share | sen | **(1.49)** | (0.93) | **(27.36)** | (0.32) |
| Diluted loss per share | sen | * | * | ***** | * |

(*) Not applicable as the options under the ESOS and MSIS would decrease the loss per share for the year/period.

By order of the Board

Sharon Liew Wei Yee (LS No. 7908)
Company Secretary

17 March 2009
Kuala Lumpur