ASTRO MALAYSIA HOLDINGS BERHAD

(932533-V) (Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2014

ASTRO MALAYSIA HOLDINGS BERHAD (932533-V)
(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014

The Board of Directors of Astro Malaysia Holdings Berhad ("AMH" or "the Company") is pleased to announce the following unaudited condensed consolidated financial statements for the fourth quarter ended 31 January 2014 which should be read in conjunction with the audited financial statements for the financial year ended 31 January 2013 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		QUARTER ENDED 31/1/2014	QUARTER ENDED 31/1/2013		YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013	
		RM'm	RM'm	%	RM'm	RM'm	%
Revenue		1,260.1	1,131.6	+11	4,790.7	4,265.0	+12
Cost of sales		(806.6)	(712.0)		(3,021.5)	(2,609.6)	
Gross profit		453.5	419.6	+8	1,769.2	1,655.4	+6
Other operating income		6.8	8.7		30.6	34.2	
Marketing and distribution costs		(147.4)	(165.1)		(550.1)	(490.9)	
Administrative expenses		(125.0)	(96.2)		(472.0)	(413.5)	
Profit from operations		187.9	167.0	+13	777.7	785.2	-1
Finance income		14.4	16.0		55.2	62.4	
Finance costs		(77.8)	(70.5)		(267.7)	(278.5)	
Share of post-tax results from investments accounted for using the equity method		2.6	2.3		4.0	5.9	
Profit before tax	17	127.1	114.7	+11	569.2	575.0	-1
Tax expense	18	(15.2)	(31.4)		(121.4)	(155.2)	
Profit for the financial year		111.9	83.4	+34	447.8	419.8	+7
Attributable to:							
Equity holders of the Company		111.4	83.2	+34	448.0	418.0	+7
Non-controlling interests		0.5	0.2		(0.2)	1.8	
		111.9	83.4	+34	447.8	419.8	+7
Earnings per share attributable to equity holders of the Company (RM):							
- Basic	26	0.021	0.016		0.086	0.222	
- Diluted	26	0.021	0.016		0.086	0.222	

ASTRO MALAYSIA HOLDINGS BERHAD (932533-V)
(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/1/2014	QUARTER ENDED 31/1/2013	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013
	RM'm	RM'm	RM'm	RM'm
Profit for the financial year	111.9	83.4	447.8	419.8
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss:				
- Net change in cash flow hedge	82.3	52.5	81.9	60.8
- Net change in available-for-sale financial assets	0.2	-	0.2	-
Foreign currency translation	-	-	-	0.0*
Other comprehensive income, net of tax	82.5	52.5	82.1	60.8
Total comprehensive income for the financial year	194.4	135.9	529.9	480.6
Attributable to:				
Equity holders of the Company	193.9	135.7	530.1	478.8
Non-controlling interests	0.5	0.2	(0.2)	1.8
	194.4	135.9	529.9	480.6

* Denotes RM54,000

ASTRO MALAYSIA HOLDINGS BERHAD (932533-V)
(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

	Note	AS AT 31/1/2014 Unaudited RM'm	AS AT 31/1/2013 Audited RM'm
Non-current assets			
Property, plant and equipment		2,157.0	1,915.8
Investments in associates		44.0	46.3
Investments in joint ventures		13.9	8.9
Other investment		40.8	5.8
Receivables and prepayments		154.6	275.0
Deferred tax assets		49.6	21.3
Derivative financial instruments	21	107.1	-
Intangible assets		1,870.3	1,857.1
		4,437.3	4,130.2
Current assets			
Inventories		17.5	23.6
Receivables and prepayments		991.5	751.4
Derivative financial instruments	21	21.8	3.5
Investment in unit trusts		529.3	-
Tax recoverable		0.8	1.4
Cash and bank balances		1,105.2	1,607.8
		2,666.1	2,387.7
Total assets		7,103.4	6,517.9
Current liabilities			
Payables	22	1,426.3	1,389.1
Derivative financial instruments	21	4.7	7.5
Borrowings	20	301.7	138.9
Tax liabilities		14.0	32.7
		1,746.7	1,568.2
Net current assets		919.4	819.5

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET (continued)

	Note	AS AT 31/1/2014 Unaudited RM'm	AS AT 31/1/2013 Audited RM'm
Non-current liabilities			
Payables	22	1,249.2	706.4
Derivative financial instruments	21	7.6	37.8
Borrowings	20	3,361.8	3,563.9
Deferred tax liabilities		121.1	125.5
		4,739.7	4,433.6
Total liabilities		6,486.4	6,001.8
Net assets		617.0	516.1
Capital and reserves attributable to equity holders of the Company			
Share capital		519.8	519.8
Share premium		6,165.4	6,165.4
Exchange reserve		0.0$	0.0$
Capital redemption reserve		0.0@	0.0@
Capital reorganisation reserve		(5,470.2)	(5,470.2)
Hedging reserve		27.8	(54.1)
Fair value reserve		0.2	-
Share scheme reserve		16.9	4.0
Accumulated losses		(647.0)	(653.1)
		612.9	511.8
Non-controlling interests		4.1	4.3
Total equity		617.0	516.1

$ Denotes RM27,000
@ Denotes RM677.50

ASTRO MALAYSIA HOLDINGS BERHAD (932533-V)
(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company											
Year ended 31/1/2014	Share capital	Share premium	Exchange reserve	Capital redemption reserve	Capital reorganisation reserve	Hedging reserve	Fair value reserve	Share scheme reserve	Accumulated losses	Total	Non-controlling interests	Total
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm
At 1/2/2013	519.8	6,165.4	0.0$	0.0@	(5,470.2)	(54.1)	-	4.0	(653.1)	511.8	4.3	516.1
Profit for the financial year	-	-	-	-	-	-	-	-	448.0	448.0	(0.2)	447.8
Other comprehensive income for the financial year	-	-	-	-	-	81.9	0.2	-	-	82.1	-	82.1
Total comprehensive income/(loss) for the financial year	-	-	-	-	-	81.9	0.2	-	448.0	530.1	(0.2)	529.9
Ordinary shares dividends	-	-	-	-	-	-	-	-	(441.9)	(441.9)	-	(441.9)
Share-based payment transaction	-	-	-	-	-	-	-	12.9	-	12.9	-	12.9
Transactions with owners	-	-	-	-	-	-	-	12.9	(441.9)	(429.0)	-	(429.0)
At 31/1/2014	519.8	6,165.4	0.0$	0.0@	(5,470.2)	27.8	0.2	16.9	(647.0)	612.9	4.1	617.0

$ Denotes RM27,000
@ Denotes RM677.50

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)

	Attributable to equity holder of the Company											
Year ended 31/1/2013	Share capital	Share premium	Redeemable preference shares	Exchange reserve	Capital redemption reserve	Capital reorganisation reserve	Hedging reserve	Share scheme reserve	Accumulated losses	Total	Non-controlling interests	Total
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm
At 1/2/2012	0.1	6,798.1	0.0[^]	(0.0)[$]	0.0[#]	(5,470.2)	(114.9)	-	(730.2)	482.9	8.6	491.5
Profit for the financial year	-	-	-	-	-	-	-	-	418.0	418.0	1.8	419.8
Other comprehensive income for the financial year	-	-	-	0.0[@]	-	-	60.8	-	-	60.8	-	60.8
Total comprehensive income for the financial year	-	-	-	0.0[@]	-	-	60.8	-	418.0	478.8	1.8	480.6
Issuance of ordinary shares	519.6	6,064.4	-	-	-	-	-	-	-	6,584.0	-	6,584.0
Redemption of RPS	-	(6,700.0)	(0.0)[^]	-	0.0[^]	-	-	-	(0.0)[^]	(6,700.0)	-	(6,700.0)
Ordinary shares dividends	-	-	-	-	-	-	-	-	(347.0)	(347.0)	-	(347.0)
Share grant exercised	0.1	2.9	-	-	-	-	-	(3.0)	-	-	-	-
Share-based payment transaction	-	-	-	-	-	-	-	7.0	-	7.0	-	7.0
Changes in ownership holdings in a subsidiary[&]	-	-	-	-	-	-	-	-	6.1	6.1	(6.1)	-
Transactions with owners	519.7	(632.7)	(0.0)[^]	-	0.0[^]	-	-	4.0	(340.9)	(449.9)	(6.1)	(456.0)
At 31/1/2013	519.8	6,165.4	-	0.0[$]	0.0*	(5,470.2)	(54.1)	4.0	(653.1)	511.8	4.3	516.1

^ Denotes RM670
# Denotes RM7.50
* Denotes RM677.50
$ Denotes RM27,000
@ Denotes RM54,000
& On 15 June 2012, the shares of Perfect Excellence Waves Sdn. Bhd. ("PEW") were transferred to a subsidiary of the Company.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013*
CASH FLOWS FROM OPERATING ACTIVITIES	**RM'm**	**RM'm**
Profit before tax	569.2	575.0
Adjustments for:		
Non-cash items^	1,282.9	1,041.4
Lease interest expense	50.1	53.3
Interest expense	159.8	163.0
Interest income	(54.4)	(50.0)
Operating cash flows before changes in working capital	2,007.6	1,782.7
Changes in working capital	(433.2)	(385.4)
Cash flows from operations	1,574.4	1,397.3
Income tax paid	(172.1)	(251.3)
Interest received	48.4	19.1
Dividend received – unit trust	-	0.1
Net cash flows generated from operating activities	1,450.7	1,165.2
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment and intangibles	-	0.3
Payment for set-top boxes	(228.4)	(230.0)
Purchase of property, plant and equipment and intangibles	(397.8)	(314.3)
Proceeds from sale of financial assets	-	10.0
Purchase of unit trusts	(529.0)	-
Acquisition of other investment	(35.0)	(5.8)
Maturities of/(investment in) fixed deposits	337.3	(1,089.3)
Interest received on advances to associate	7.4	1.5
Repayment of long-term advances to associate	4.2	-
Advances to joint venture	(0.8)	-
Investment in joint venture	(7.2)	-
Net cash flows used in investing activities	(849.3)	(1,627.6)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(441.9)	(632.6)
Interest paid	(148.8)	(136.3)
Proceeds from borrowings	-	492.0
Proceeds from issuance of shares, net of issuing expenses	-	1,386.9
Repayment of borrowings	(74.9)	(510.0)
Payment of finance lease liabilities	(101.1)	(97.4)
Net cash flows (used in)/generated from financing activities	(766.7)	502.6
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(165.3)	40.2
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	-	0.1
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	518.5	478.2
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR#	353.2	518.5

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

^ Non-cash items mainly represent amortisation of intangible assets and depreciation of property, plant and equipment as disclosed in Note 17.

* The comparative balances in the statements of cash flows have been restated to conform to the current year's presentation and classification, which more accurately reflects the nature of the relevant transactions.

The difference between the cash and cash equivalents and cash and bank balances represent deposits with banks that have maturity periods of more than 3 months.

Material Non-Cash Transaction

During the financial year ended 31 January 2014, the Group acquired property, plant and equipment by means of vendor financing of RM702.9m (31 January 2013: RM619.3m). The Group had repaid RM228.4m (31 January 2013: RM230.0m) in relation to vendor financing for property, plant and equipment capitalised in prior financial years.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

1 BASIS OF PREPARATION

The unaudited quarterly report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting", Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Securities Listing Requirements") and should be read in conjunction with the audited financial statements for the financial year ended 31 January 2013.

The significant accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 January 2013, except for the accounting policy on cash and cash equivalents which now read as follow:

Cash and cash equivalents
For the purpose of the statements of cash flows, cash and cash equivalents comprise cash in hand, cash at bank and deposits with banks that have maturity periods of less than 3 months.

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on 1 February 2013 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

- MFRS 10 Consolidated Financial Statements (effective from 1 January 2013)
- MFRS 11 Joint Arrangements (effective from 1 January 2013)
- MFRS 12 Disclosure of Interests in Other Entities (effective from 1 January 2013)
- MFRS 13 Fair Value Measurement (effective from 1 January 2013)
- Amendment to MFRS 119 Employee Benefits (effective from 1 January 2013)
- The revised MFRS 127 Separate Financial Statements (effective from 1 January 2013)
- The revised MFRS 128 Investments in Associates and Joint Ventures (effective from 1 January 2013)
- Amendment to MFRS 7 Financial Instruments: Disclosures (effective from 1 January 2013)
- Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income (effective from 1 July 2012)
- Annual Improvements to MFRS 2009 – 2011 Cycle (effective from 1 January 2013)
- Amendments to MFRS 10, 11 and 12 Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (effective from 1 January 2013)

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

1 BASIS OF PREPARATION (continued)

Amendments early adopted by the Group

The amendments to MFRS 136 'Impairment of assets' removed certain disclosures of the recoverable amount of CGUs which had been included in MFRS 136 by the issuance of MFRS 13. The amendment is not mandatory for the Group until 1 February 2014, however the Group has decided to early adopt the amendment as of 1 February 2013.

MFRSs and Amendments to MFRSs that is applicable to the Group but not yet effective

The Group has not early adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board ("MASB") as these are effective for the financial periods beginning on or after 1 February 2014:

- MFRS 9 Financial Instruments – Classification and Measurement of Financial Assets and Financial Liabilities (effective from 1 January 2017)
- Amendments to MFRS 10, 11 and 127 Investment Entities (effective from 1 January 2014)
- Amendment to MFRS 132 Offsetting Financial Assets and Financial Liabilities (effective from 1 January 2014)
- Amendments to MFRS 139 Novation of Derivatives and Continuation of Hedge Accounting (effective from 1 January 2014)
- MFRS 119 Defined Benefit Plans : Employee Contributions (effective from 1 July 2014)
- Annual Improvements to MFRS 2010 – 2012 Cycle (effective from 1 July 2014)
- Annual Improvements to MFRS 2011 – 2013 Cycle (effective from 1 July 2014)

2 SEASONAL/CYCLICAL FACTORS

The operations of the Group were not significantly affected by seasonal and cyclical factors.

3 UNUSUAL ITEMS

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the financial year ended 31 January 2014.

4 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the financial year ended 31 January 2014.

5 DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayment of debt and equity securities by the Group during the financial year ended 31 January 2014.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

6 DIVIDENDS PAID

During the financial year ended 31 January 2014, the following dividend payments were made:

(i) second interim single-tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 January 2013, amounting to RM77,974,500 was paid on 18 April 2013;

(ii) first interim single-tier dividend of 2.0 sen per ordinary share in respect of the financial year ending 31 January 2014, amounting to RM103,966,000 was paid on 15 July 2013;

(iii) final single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 January 2013, amounting to RM51,983,000, was paid on 2 August 2013;

(iv) second interim single-tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 January 2014, amounting to RM103,966,000 was paid on 18 October 2013; and

(v) third interim single-tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 January 2014, amounting to RM103,966,000 was paid on 10 January 2014.

Refer to Note 25 for dividends declared during the financial year ended 31 January 2014.

7 SEGMENT RESULTS AND REPORTING

For management purposes, the Group is organised into business units based on their services and has two key reportable segments based on operating segments as follows:

(i) The television segment is a provider of television services including television content, creation, aggregation and distribution, magazine publication and distribution and multimedia interactive services;
(ii) The radio segment is a provider of radio broadcasting services; and
(iii) Others

The corporate function relates to treasury and management services and is not an operating segment. The corporate function is presented as part of the reconciliation to the consolidated total.

Transactions between segments are carried out on mutually agreed basis. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Segment profit, which is profit before tax, is used to measure performance as management believes that such information is the most relevant in evaluating the results. Income taxes are managed on a group basis and are not allocated to operating segments

Prices between operating segments are on mutually agreed basis in a manner similar to transactions with third parties.

Segment assets

The total of segment assets is measured based on all assets (including goodwill and excluding deferred tax asset) of a segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities (excluding tax liabilities) of a segment.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

7 SEGMENT RESULTS AND REPORTING (continued)

Year ended 31/1/2014	**Television RM'm**	**Radio RM'm**	**Others RM'm**	**Corporate Function RM'm**	**Elimination RM'm**	**Total RM'm**
External revenue	4,529.3	246.8	-	14.6	-	4,790.7
Interest income	23.0	2.4	2.3	137.5	(110.8)	54.4
Interest expense	(204.0)	-	(2.3)	(114.4)	110.8	(209.9)
Depreciation and amortisation	(1,220.1)	(4.6)	-	(4.7)	42.6	(1,186.8)
Share of post-tax results from investments accounted for using the equity method	(3.1)	-	7.1	-	-	4.0
Segment profit/(loss) – Profit/(loss) before tax	438.1	133.2	1.8	(28.3)	24.4	569.2
As at 31/1/2014						
Segment assets	5,062.3	1,236.6	50.4	1,272.9	(568.4)	7,053.8
Segment liabilities	3,676.8	156.1	16.9	3,036.0	(534.5)	6,351.3

Year ended 31/1/2013	**Television RM'm**	**Radio RM'm**	**Others RM'm**	**Corporate Function RM'm**	**Elimination RM'm**	**Total RM'm**
External revenue	4,003.1	214.7	28.7	18.5	-	4,265.0
Interest income	28.9	2.9	0.5	136.7	(119.0)	50.0
Interest expense	(185.7)	(1.2)	(6.6)	(141.8)	119.0	(216.3)
Depreciation and amortisation	(950.3)	(4.3)	(5.1)	(4.2)	35.0	(928.9)
Share of post-tax results from investments accounted for using the equity method	1.6	-	4.3	-	-	5.9
Segment profit/(loss) – Profit/(loss) before tax	522.4	103.1	(4.9)	(51.1)	5.5	575.0

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

7 SEGMENT RESULTS AND REPORTING (continued)

As at 31/1/2013	**Television**	**Radio**	**Others**	**Corporate Function**	**Elimination**	**Total**
	RM'm	**RM'm**	**RM'm**	**RM'm**	**RM'm**	**RM'm**
Segment assets	4,897.9	1,745.5	92.3	1,259.6	(1,498.7)	6,496.6
Segment liabilities	3,110.2	661.3	109.7	3,070.9	(1,108.5)	5,843.6

Quarter ended 31/1/2014	**Television**	**Radio**	**Others**	**Corporate Function**	**Elimination**	**Total**
	RM'm	**RM'm**	**RM'm**	**RM'm**	**RM'm**	**RM'm**
External revenue	1,187.4	68.3	-	4.4	-	1,260.1
Interest income	7.1	0.6	0.6	33.9	(27.7)	14.5
Interest expense	(52.6)	-	(0.6)	(27.9)	27.7	(53.4)
Depreciation and amortisation	(329.9)	(1.6)	-	(1.5)	12.6	(320.4)
Share of post-tax results from investments accounted for using the equity method	-	-	2.6	-	-	2.6
Segment profit/(loss) – Profit/(loss) before tax	62.1	38.6	10.8	(7.3)	22.9	127.1

Quarter ended 31/1/2013	**Television**	**Radio**	**Others**	**Corporate Function**	**Elimination**	**Total**
	RM'm	**RM'm**	**RM'm**	**RM'm**	**RM'm**	**RM'm**
External revenue	1,062.6	59.4	4.3	5.3	-	1,131.6
Interest income	6.8	0.5	0.1	37.2	(31.3)	13.3
Interest expense	(48.4)	(0.1)	(1.6)	(33.1)	31.3	(51.9)
Depreciation and amortisation	(284.7)	(1.0)	(1.9)	(1.1)	24.1	(264.6)
Share of post-tax results from investments accounted for using the equity method	1.8	-	0.5	-	-	2.3
Segment profit/(loss) – Profit/(loss) before tax	76.4	32.8	3.2	(3.0)	5.4	114.8

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

8 CHANGES IN THE COMPOSITION OF THE GROUP

(i) On 13 February 2013, the Company acquired the entire issued share capital of Astro Retail Ventures Sdn. Bhd. ("ARV") comprising 2 ordinary shares of RM1.00 at par. On the same day, Astro Entertainment Sdn Bhd (a wholly-owned subsidiary of the Company) acquired the entire issued share capital of Astro Sports Marketing Sdn. Bhd. ("ASM") comprising 2 ordinary shares of RM1.00 each at par

(ii) On 21 May 2013, ASM acquired 2,000,000 ordinary shares of SGD1.00 each in the share capital of Asia Sports Ventures Pte Ltd ("ASV") representing 50% of the total issued share capital of ASV at par.

ASM had subsequently on 31 May 2013 subscribed for 1,000,000 Redeemable Convertible Preference Shares of SGD1.00 each in ASV at a total subscription price amounting to SGD1,000,000.

Save for the above, there were no other changes in the composition of the Group during the financial year ended 31 January 2014.

9 INDEMNITY, GUARANTEES AND CONTINGENT ASSETS

a. Indemnity and guarantees

Details of the indemnity and guarantees of the Group as at 31 January 2014, for which no provision has been made in the interim financial statements, are as set out below:

	Group	
	31/1/2014	**31/1/2013**
	RM'm	**RM'm**
Indemnity given to financial institutions in respect of bank guarantees issued (unsecured):		
- Programme rights vendors[1]	166.7	217.4
- Others[2]	12.8	15.0
Other indemnities:		
- Guarantee to programme rights vendor provided by AMH[1]	110.6	102.4
- Indemnity to Maxis Berhad ("Maxis") pursuant to shareholders' obligations in respect of Advanced Wireless Technologies Sdn. Bhd.	6.3	6.3
	296.4	341.1

Notes:
1 Included as part of the programming commitments for programme rights as set out in Note 10.
2 Consist of bank guarantees issued mainly to Royal Malaysian Customs, utility companies, the Health Ministry and Perbadanan Kemajuan Filem Nasional Malaysia.

b. Contingent assets

There were no significant contingent assets as at 31 January 2014 (31 January 2013: Nil).

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

10 COMMITMENTS

The Group has the following commitments not provided for in the interim financial statements as at the end of the financial year:

	31/1/2014			31/1/2013		
	Approved and contracted for	**Approved and not contracted for**	**Total**	**Approved and contracted for**	**Approved and not contracted for**	**Total**
	RM'm	**RM'm**	**RM'm**	**RM'm**	**RM'm**	**RM'm**
Property, plant and equipment*	2,868.5	185.7	3,054.2	1,816.4	469.6	2,286.0
Software	258.2	98.4	356.6	9.7	27.4	37.1
Film library and programme rights	1,227.2	466.8	1,694.0	1,492.0	451.4	1,943.4
	4,353.9	750.9	5,104.8	3,318.1	948.4	4,266.5

***** Included in approved and contracted for is the supply of transponder capacity with MEASAT International (South Asia) Ltd. and MEASAT Satellite Systems Sdn. Bhd. ("MSS"), both related parties, on MEASAT-3B and MEASAT-3C satellites, of RM1,785.9m and RM552.4m respectively. MSS is a subsidiary of a company in which Ananda Krishnan Tatparanandam ("TAK") has a 99% direct equity interest.

11 SIGNIFICANT RELATED PARTY DISCLOSURES

During the financial year, the Group has entered into the following related party transactions with parties whose relationships are set out below.

Usaha Tegas Sdn. Bhd. ("UTSB") and Khazanah Nasional Berhad ("KNB") are parties related to the Company, by virtue of having joint control over Astro Holdings Sdn. Bhd ("AHSB"), a major shareholder of the Company, pursuant to a shareholders' agreement in relation to AHSB. AHSB holds 100% equity interest in Astro Networks (Malaysia) Sdn. Bhd. ("ANM"), which in turn holds 42.4% equity interest in the Company.

UTSB also has an 9.6% indirect interest in the Company through its wholly-owned subsidiaries All Asia Media Equities Limited and Usaha Tegas Entertainment Systems Sdn Bhd. The ultimate holding company of UTSB is PanOcean Management Limited ("PanOcean"). PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of Ananda Krishnan Tatparanandam ("TAK") and foundations including those for charitable purposes. Although PanOcean and TAK are deemed to have an interest in the shares of the Company, they do not have any economic or beneficial interest in the shares as such interest is held subject to the terms of the discretionary trust.

TAK also has a deemed interest in the shares of the Company via entities which are the direct shareholders of AHSB and held by companies ultimately controlled by TAK.

In addition to related party disclosures mentioned elsewhere in the quarterly report, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on agreed terms with the related parties.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

11 SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

Related Parties	**Relationship**
Maxis Mobile Services Sdn. Bhd.	Subsidiary of a joint venture of UTSB
Maxis Broadband Sdn. Bhd.	Subsidiary of a joint venture of UTSB
ASTRO Overseas Limited ("AOL")	Subsidiary of AHSB
UTSB Management Sdn. Bhd.	Subsidiary of UTSB
Endemol Malaysia Entertainment Group Sdn. Bhd.	Joint venture of the Company
Kristal-Astro Sdn. Bhd.	Associate of the Company
Celestial Movie Channel Limited	Associate of AOL
Sun TV Network Limited	Joint venture partner of AOL
Tiger Gate Entertainment Limited	Associate of AOL
MEASAT International (South Asia) Ltd.	Subsidiary of a company in which TAK has a 99% direct equity interest

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

11 SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

	Transaction for the year ended 31/1/2014 RM'm	Transaction for the year ended 31/1/2013 RM'm	Balances due from/(to) as at 31/1/2014 RM'm	Balances due from/(to) as at 31/1/2013 RM'm	Commitments as at 31/1/2014 RM'm	Commitments as at 31/1/2013 RM'm
(i) Sales of goods and services						
- Maxis Mobile Services Sdn. Bhd. (Multimedia and interactive)	10.9	14.6	4.3	5.9	-	-
- Maxis Broadband Sdn. Bhd. (Licensing income)	12.6	-	7.5	-	-	-
- Kristal-Astro Sdn. Bhd. (Programme services and right sales, technical support and smartcard rental)	19.2	19.0	5.7	8.0	-	-
- ASTRO Overseas Limited (Management fees)	13.0	14.5	4.7	15.3	-	-
(ii) Purchases of goods and services						
- UTSB Management Sdn. Bhd. (Personnel, strategic and other consultancy and support services)	17.9	18.3	(3.2)	(5.1)	-	-
- Maxis Broadband Sdn. Bhd. (Telecommunication services)	48.3	34.5	(15.8)	(9.0)	-	-
- MEASAT International (South Asia) Ltd. (Deposit paid on transponder lease)	29.8	30.8	60.3	30.9	1,785.9	1,652.2
- Sun TV Network Limited (Programme broadcast rights)	31.4	28.6	(7.5)	(15.0)	-	-
- Celestial Movie Channel Limited (Programme broadcast rights)	15.6	13.8	(1.6)	(2.4)	-	-
- Endemol Malaysia Entertainment Group Sdn. Bhd. (Programming rights)	4.6	-	4.9	-	35.4	40.0
- Tiger Gate Entertainment Limited (Programming rights)	11.1	-	(1.3)	(1.1)	-	-
(iii) Key management personnel compensation						
- Salaries, bonus and allowances and other staff related costs	21.5	37.1				
- Share-based payments compensations	2.7	4.6				
- Directors fees	1.3	1.6				
- Defined contribution plans	2.8	4.6				

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

11 SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

(iv) Government-related entities

KNB through its wholly-owned subsidiary, Pantai Cahaya Bulan Ventures Sdn Bhd ("PCBV") has an indirect equity interest over 29.34% of the total issued and paid-up share capital of AHSB. The equity interest of AHSB in the share capital of the Company is disclosed in Note 11 above. PCBV also has a direct equity interest over 8.29% of the total issued and paid-up share capital of the Company. KNB is an investment arm of the Government of Malaysia. Save for one (1) share owned by the Federal Lands Commissioner, a body corporate incorporated under the Federal Lands Commissioner (Incorporation) Act, 1957, all of the ordinary shares of KNB are owned by the Minister of Finance, a body corporate incorporated under the Minister of Finance, (Incorporation) Act, 1957 ("MoF Inc.")

All the transactions entered into by the Group with the government-related entities are conducted in the ordinary course of the Group's business on negotiated terms or terms comparable to those with other entities that are not government-related.

The Group has transactions that are collectively, but not individually significant with other government-related entities in respect of public utilities. For the financial year ended 31 January 2014, management estimates that the aggregate amounts of the Group significant transactions with government-related entities are at 2.0% of its total administrative expenses and 1.1% of its total revenue.

12 FAIR VALUE MEASUREMENTS

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly (ie. from prices) or indirectly (ie. derived from prices).
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

(a) Financial instruments carried at amortised cost

The carrying amounts of financial assets and liabilities of the Group as at 31 January 2014 approximated their fair values except as set out below:

(Assets)/Liabilities measured at amortised cost:

	Carrying amount	Level 1	Level 2	Level 3
31 January 2014	RM'm	RM'm	RM'm	RM'm
Other investments - bonds	(35.0)	-	(41.2)	-
Receivables and prepayments - deposits	(66.4)	-	(77.3)	-
Borrowings – finance lease liabilities	661.0	-	771.4	-
31 January 2013				
Receivables and prepayments - deposits	(98.7)	-	(115.4)	-
Borrowings – finance lease liabilities	711.2	-	949.2	-

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)

12 FAIR VALUE MEASUREMENTS (continued)

(a) Financial instruments carried at amortised cost (continued)

The fair value of financial instruments categorised at Level 2 is determined based on a discounted cash flow analysis, using contractual cash flows and market interest rates.

(b) Financial instruments carried at fair value

The following table represents the assets and liabilities measured at fair value:

(Assets)/Liabilities measured at fair value:

	Carrying amount RM'm	Level 1 RM'm	Level 2 RM'm	Level 3 RM'm
Recurring fair value measurements				
31 January 2014				
Other investments – Investment in unit trusts	(529.3)	(529.3)	-	-
Other investments – Series A-1 preference shares in unquoted company	(5.8)	-	-	(5.8)
Forward foreign currency exchange contracts – cash flow hedges	(15.7)	-	(15.7)	-
Interest rate swaps – cash flow hedges	10.8	-	10.8	-
Cross-currency interest rate swaps – cash flow hedges	(111.7)	-	(111.7)	-
31 January 2013				
Other investments – Series A-1 preference shares in unquoted company	(5.8)	-	-	(5.8)
Forward foreign currency exchange contracts – cash flow hedges	(3.5)	-	(3.5)	-
Interest rate swaps – cash flow hedges	38.4	-	38.4	-
Cross-currency interest rate swaps – cash flow hedges	6.9	-	6.9	-

The valuation technique used to derive the Level 2 fair value for derivative financial instruments is as disclosed in Note 21.

The valuation technique used to derive the Level 3 fair value for Other investment is determined by reference to recent sales price of a comparable transaction with a third party.

During the financial year, there were no transfer between Level 1 and Level 2 fair value measurement, and no transfer into and out of Level 3 fair value measurement.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

13 ANALYSIS OF PERFORMANCE

(a) Performance of the current quarter (Fourth Quarter FY14) against the corresponding quarter (Fourth Quarter FY13):

	All amounts in RM'm unless otherwise stated			
	Financial Highlights		**Key Operating Indicators**	
	QUARTER ENDED 31/1/2014	**QUARTER ENDED 31/1/2013**	**QUARTER ENDED 31/1/2014**	**QUARTER ENDED 31/1/2013**
Consolidated Performance				
Total revenue	1,260.1	1,131.6		
EBITDA[1]	413.2	346.0		
EBITDA margin (%)	32.8	30.6		
Profit before tax	127.1	114.8		
Net profit	111.9	83.4		
Net decrease in cash	(366.8)	(569.5)		
(i) Television				
Subscription revenue	1,031.8	958.4		
Advertising revenue	89.2	81.1		
Other revenue	66.4	23.1		
Total revenue	1,187.4	1,062.6		
EBITDA	345.7	303.7		
EBITDA margin (%)	29.1	28.6		
Profit before tax	62.1	76.4		
Total residential subscribers-end of period ('000)			3,884.2	3,484.6
Pay-TV residential subscribers-end of period[2] ('000)			3,442.3	3,275.5
Pay-TV residential subscribers-net additions ('000)			40.4	62.4
Non-subscription customers-end of period ('000)			441.9	209.1
Non-subscription customers-net additions ('000)			60.1	77.1
Pay-TV residential ARPU[3](RM)			96.0	93.2
MAT Churn[4](%)			9.9	7.8

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(a) Performance of the current quarter (Fourth Quarter FY14) against the corresponding quarter (Fourth Quarter FY13) (continued):

	All amounts in RM'm unless otherwise stated			
	Financial Highlights		**Key Operating Indicators**	
	QUARTER ENDED 31/1/2014	**QUARTER ENDED 31/1/2013**	**QUARTER ENDED 31/1/2014**	**QUARTER ENDED 31/1/2013**
(ii) Radio				
Revenue	68.3	59.4		
EBITDA[1]	39.5	33.4		
EBITDA margin (%)	57.8	56.2		
Profit before tax	38.6	32.8		
Listeners ('000)[5]			12,193	12,344
Share of Radex[6](%)			54.4	52.1

Notes:

1. Earnings before interest, tax, depreciation and amortisation ("EBITDA") represent profit/(loss) before net finance costs, tax, impairment, write-off and depreciation of property, plant and equipment and amortisation of intangible assets such as software (but excluding amortisation of film library and program rights which are expensed as part of cost of sales), impairment of investments and share of post-tax results from investments accounted for using the equity method.
2. Included in the Pay-TV residential subscribers-end of period ('000) number of 3,442.3m were 77,800 (Quarter 4 FY13: Comparative data was not tracked) past subscribers under retention offers. Such retention initiatives are pursued from time to time in the ordinary course of business. However, there can be no certainty that these offers will be accepted.
3. Average Revenue Per User ("ARPU") is the monthly average revenue per residential subscriber. ARPU is calculated by dividing the total subscription revenue derived from residential subscribers over the last twelve months with average number of residential subscribers over the same period.
4. MAT (moving annual total) Churn is computed by dividing the sum of Churn over the last twelve months with the average residential customer base over the same period. Churn is the number of subscribers over a given period whose subscriptions have been terminated either voluntarily or involuntarily (as a result of non-payment), net of reconnections within a given period.
5. Based on the Radio Listenership Survey by Nielsen dated 28 October 2013 (Quarter 4 FY13: 22 October 2012).
6. Based on Advertising expenses ("Adex") from Nielsen Media Report dated 14 February 2014 (Quarter 4 FY13: 18 February 2013). Radex is radio advertising expenditure.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(a) Performance of the current quarter (Fourth Quarter FY14) against the corresponding quarter (Fourth Quarter FY13) (continued):

Consolidated Performance

Revenue

Revenue for the current quarter of RM1,260.1m was higher by RM128.5m or 11.4% against corresponding quarter of RM1,131.6m. This was mainly due to the increase in subscription, advertising and other revenue of RM73.4m, RM14.7m and RM40.4m respectively.

The increase in subscription revenue is attributed to both an increase in ARPU for Pay-TV residential subscribers of RM2.80 (from RM93.20 to RM96.00) and an increase in number of Pay-TV residential subscribers by 166,800 from 3,275,500 to 3,442,300.

The increase in other revenue is due to an increase in licensing income of RM24.5m and sales of decoders for NJOI customers of RM4.7m.

Radio's revenue for the current quarter of RM68.3m was higher by RM8.9m compared with corresponding quarter of RM59.4m. The higher revenue performance was driven by continuous strong listenership ratings.

EBITDA margin

EBITDA margin increased by 2.2% against corresponding quarter mainly due to the disciplined cost management. The cost management initiatives resulted in lower content costs, staff related costs, marketing and market research costs, and selling and distribution expenses as a percentage of revenue.

Net Profit

Net profit increased by RM28.5m or 34.2% compared with the corresponding quarter. The increase in net profit is mainly due to the increase in EBITDA of RM67.2m and decrease in tax expenses of RM16.1m, which was offset by an increase in depreciation of set-top boxes of RM39.0m and increase in net finance costs of RM8.9m.

Cash Flow

Increase in cash of RM202.7m as compared with corresponding quarter is mainly due to higher operating cash flows of RM148.7m and lower repayment of borrowings of RM435.1m. This was offset by higher acquisition of property, plant and equipment of RM115.7m, purchase of unit trusts of RM196.9m, and acquisition of other investment of RM30.0m.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(a) Performance of the current quarter (Fourth Quarter FY14) against the corresponding quarter (Fourth Quarter FY13) (continued):

Television

Television registered an increase in total revenue of RM124.8m (or 11.7%) compared with corresponding quarter, which was mainly attributable to the increase in subscription and other revenue of RM73.4m and RM43.3m respectively.

The increase in subscription revenue was due to higher ARPU for Pay-TV residential subscribers of RM2.80 (from RM93.20 to RM96.00) and a higher number of Pay-TV residential subscribers by 166,800 from 3,275,500 to 3,442,300.

The increase in other revenue was due to an increase in licensing income, prepaid revenue and sales of decoders for NJOI customers.

Television EBITDA increased by RM42.0m or 13.8% against corresponding quarter mainly due to the increase in revenue as highlighted above, and partly offset by higher administrative costs and higher content costs.

Radio

Radio's revenue for the current quarter of RM68.3m was higher by RM8.9m compared with the corresponding quarter of RM59.4m. The higher revenue performance was driven by strong listenership ratings attributed by the more youthful formats introduced as well as taking advantage of the year-end related festivals and events.

The favourable revenue contributed to higher EBITDA of RM39.5m, an increase of RM6.1m or 18.3% compared with the corresponding quarter.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(b) Performance of the current quarter (Fourth Quarter FY14) against the preceding quarter (Third Quarter FY14):

	All amounts in RM'm unless otherwise stated			
	Financial Highlights		**Key Operating Indicators**	
	QUARTER ENDED 31/1/2014	**QUARTER ENDED 31/10/2013**	**QUARTER ENDED 31/1/2014**	**QUARTER ENDED 31/10/2013**
Consolidated Performance				
Total revenue	1,260.1	1,216.5		
EBITDA[1]	413.2	417.4		
EBITDA margin (%)	32.8	34.3		
Profit before tax	127.1	152.7		
Net profit	111.9	123.6		
Net (decrease)/increase in cash	(366.8)	266.0		
(i) Television				
Subscription revenue	1,031.8	996.3		
Advertising revenue	89.2	90.6		
Other revenue	66.4	62.7		
Total revenue	1,187.4	1,149.6		
EBITDA	345.7	395.9		
EBITDA margin (%)	29.1	34.4		
Profit before tax	62.1	136.7		
Total residential subscribers-end of period ('000)			3,884.2	3,783.7
Pay-TV residential subscribers-end of period[2] ('000)			3,442.3	3,401.9
Pay-TV residential subscribers-net additions ('000)			40.4	43.1
Non-subscription customers-end of period ('000)			441.9	381.8
Non-subscription customers-net additions ('000)			60.1	67.8
Pay-TV residential ARPU[3](RM)			96.0	95.6
MAT Churn[4](%)			9.9	9.3

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(b) Performance of the current quarter (Fourth Quarter FY14) against the preceding quarter (Third Quarter FY14) (continued):

All amounts in RM'm unless otherwise stated

	Financial Highlights		**Key Operating Indicators**	
	QUARTER ENDED 31/1/2014	**QUARTER ENDED 31/10/2013**	**QUARTER ENDED 31/1/2014**	**QUARTER ENDED 31/10/2013**
(ii) Radio				
Revenue	68.3	63.7		
EBITDA[1]	39.5	33.2		
EBITDA margin (%)	57.8	52.1		
Profit before tax	38.6	32.6		
Listeners ('000)[5]			12,193	12,193
Share of Radex[6] (%)			54.4	55.1

Notes:

1. Earnings before interest, tax, depreciation and amortisation ("EBITDA") represent profit/(loss) before net finance costs, tax, impairment, write-off and depreciation of property, plant and equipment and amortisation of intangible assets such as software (but excluding amortisation of film library and program rights which are expensed as part of cost of sales), impairment of investments and share of post-tax results from investments accounted for using the equity method.
2. Included in the Pay-TV residential subscribers-end of period ('000) number of 3,442.3m were 77,800 (Quarter 3 FY14: 63,800) past subscribers under retention offers. Such retention initiatives are pursued from time to time in the ordinary course of business. However, there can be no certainty that these offers will be accepted.
3. Average Revenue Per User ("ARPU") is the monthly average revenue per residential subscriber. ARPU is calculated by dividing the total subscription revenue derived from residential subscribers over the last twelve months with average number of residential subscribers over the same period.
4. MAT (moving annual total) Churn is computed by dividing the sum of Churn over the last twelve months with the average residential customer base over the same period. Churn is the number of subscribers over a given period whose subscriptions have been terminated either voluntarily or involuntarily (as a result of non-payment), net of reconnections within a given period.
5. Based on the Radio Listenership Survey by Nielsen dated 28 October 2013 (Quarter 3 FY14: 28 October 2013).
6. Based on Advertising expenses ("Adex") from Nielsen Media Report dated 14 February 2014 (Quarter 3 FY14: 14 November 2013). Radex is radio advertising expenditure.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(b) Performance of the current quarter (Fourth Quarter FY14) against the preceding quarter (Third Quarter FY14) (continued):

Consolidated Performance

Revenue

Revenue for the current quarter of RM1,260.1m was higher by RM43.6m or 3.6% against preceding quarter of RM1,216.5m. This was mainly due to an increase in subscription, advertising and other revenue of RM35.5m, RM3.2m and RM4.9m respectively.

The increase in subscription revenue was due to higher ARPU for Pay-TV residential subscribers of RM0.40 (from RM95.60 to RM96.00) and higher Pay-TV residential subscribers by 40,400 from 3,401,900 to 3,442,300.

EBITDA margin

EBITDA margin decreased by 1.5% against the preceding quarter mainly due to the increase in content costs, marketing and market research cost and professional fees as a percentage of revenue.

Net Profit

Net profit decreased by RM11.7m or 9.5% to RM111.9m during the quarter. The decrease is mainly due to decrease in EBITDA of RM4.2m, higher depreciation of set-top boxes of RM4.2m, higher software amortisation of RM5.3m and higher net finance costs of RM13.3m. The increase was offset by lower tax expenses of RM13.9m

Cash Flow

Decrease in cash of RM366.8m during the quarter is mainly due to dividend payment of RM104.0m, higher acquisition of property, plant and equipment of RM270.6m, repayment of borrowings of RM74.9m, increase in purchase of unit trusts of RM196.9m, higher acquisition of other investment of RM30.0m and increase in payment of interest of RM59.3m. This was offset by higher operating cash flows of RM383.6m.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(b) Performance of the current quarter (Fourth Quarter FY14) against the preceding quarter (Third Quarter FY14) (continued):

Television

Television registered an increase in total revenue in the current quarter of RM37.8m or 3.3%, which was attributable by the increase in subscription and other revenue of RM35.5m and RM3.7m respectively.

The increase in subscription revenue was due to higher ARPU for Pay-TV residential subscribers of RM0.40 (from RM95.60 to RM96.00) and higher Pay-TV residential subscribers by 40,400 from 3,401,900 to 3,442,300.

EBITDA decreased by RM50.2m or 12.7% against the preceding quarter mainly due to the increase in content costs, marketing and market research costs and professional fees. The decrease was offset by higher revenue, as highlighted above.

Radio

Radio’s revenue for the current quarter of RM68.3m was higher by RM4.6m or 7.2% compared with the preceding quarter of RM63.7m. The higher revenue performance was driven by the favourable market environment, continuous strong listenership ratings as well as taking advantage of the year-end related festivals and events.

The favourable revenue and lower marketing costs contributed to higher EBITDA of RM39.5m, an increase of RM6.3m or 19.4% compared with the preceding quarter.

13 ANALYSIS OF PERFORMANCE (continued)

(c) Performance of the current year (YTD January 2014) against the corresponding year (YTD January 2013):

All amounts in RM'm unless otherwise stated

	Financial Highlights		Key Operating Indicators	
	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013
Consolidated Performance				
Total revenue	4,790.7	4,265.0		
EBITDA[1]	1,616.2	1,387.6		
EBITDA margin (%)	33.7	32.5		
Profit before tax	569.2	575.0		
Net profit	447.8	419.8		
Net (decrease)/increase in cash	(502.6)	1,129.5		
(i) Television				
Subscription revenue	3,990.8	3,649.6		
Advertising revenue	335.2	280.0		
Other revenue	203.3	73.5		
Total revenue	4,529.3	4,003.1		
EBITDA	1,473.4	1,281.1		
EBITDA margin (%)	32.5	32.0		
Profit before tax	438.1	522.4		
Total residential subscribers-end of period ('000)			3,884.2	3,484.6
Pay-TV residential subscribers-end of period[2] ('000)			3,442.3	3,275.5
Pay-TV residential subscribers-net additions ('000)			166.8	208.5
Non-subscription customers-end of period ('000)			441.9	209.1
Non-subscription customers-net additions ('000)			232.8	208.8
Pay-TV residential ARPU[3](RM)			96.0	93.2
MAT Churn[4](%)			9.9	7.8

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(c) Performance of the current year (YTD January 2014) against the corresponding year (YTD January 2013) (continued):

	All amounts in RM'm unless otherwise stated			
	Financial Highlights		**Key Operating Indicators**	
	YEAR ENDED 31/1/2014	**YEAR ENDED 31/1/2013**	**YEAR ENDED 31/1/2014**	**YEAR ENDED 31/1/2013**
(ii) Radio				
Revenue	246.8	214.7		
EBITDA[1]	135.3	105.7		
EBITDA margin (%)	54.8	49.2		
Profit before tax	133.2	103.1		
Listeners ('000)[5]			12,193	12,344
Share of Radex[6] (%)			54.2	52.5

Notes:

1. Earnings before interest, tax, depreciation and amortisation ("EBITDA") represent profit/(loss) before net finance costs, tax, impairment, write-off and depreciation of property, plant and equipment and amortisation of intangible assets such as software (but excluding amortisation of film library and program rights which are expensed as part of cost of sales), impairment of investments and share of post-tax results from investments accounted for using the equity method.
2. Included in the Pay-TV residential subscribers-end of period ('000) number of 3,442.3m were 77,800 (YTD January 2013: Comparative data was not tracked) past subscribers under retention offers. Such retention initiatives are pursued from time to time in the ordinary course of business. However, there can be no certainty that these offers will be accepted.
3. Average Revenue Per User ("ARPU") is the monthly average revenue per residential subscriber. ARPU is calculated by dividing the total subscription revenue derived from residential subscribers over the last twelve months with average number of residential subscribers over the same period.
4. MAT (moving annual total) Churn is computed by dividing the sum of Churn over the last twelve months with the average residential customer base over the same period. Churn is the number of subscribers over a given period whose subscriptions have been terminated either voluntarily or involuntarily (as a result of non-payment), net of reconnections within a given period.
5. Based on the Radio Listenership Survey by Nielsen dated 28 October 2013 (YTD January 2013: 22 October 2012).
6. Based on Advertising expenses ("Adex") from Nielsen Media Report dated 14 February 2014 (YTD January 2013: 18 February 2013). Radex is radio advertising expenditure.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

13 ANALYSIS OF PERFORMANCE (continued)

(c) Performance of the current year (YTD January 2014) against the corresponding year (YTD January 2013) (continued):

Consolidated Performance

Revenue

Revenue for the current year of RM4,790.7m was higher by RM525.7m or 12.3% against corresponding year of RM4,265.0m. This was mainly due to an increase in subscription, advertising and other revenue of RM341.2m, RM77.8m and RM106.7m respectively.

The increase in subscription revenue was due to higher ARPU for Pay-TV residential subscribers of RM2.80 (from RM93.20 to RM96.00) and higher Pay-TV residential subscribers by 166,800 from 3,275,500 to 3,442,300.

The increase in airtime sales for the current year of RM582.0m was higher by RM77.8m compared with the corresponding year of RM504.2m. The higher revenue performance was driven by the continuous strong listenership ratings and improved sales tactical campaign, as well as higher demands during the festive seasons and events.

The increase in other revenue was mainly due to increase in licensing income of RM58.9m, sales of decoders for NJOI customers of RM26.3m, prepaid revenue of RM7.1m and sales of programming rights of RM6.8m.

EBITDA margin

EBITDA margin increased by 1.2% against the corresponding year mainly due to the disciplined cost management. The cost management initiatives resulted in a lower cost of sales and lower staff related costs as a percentage of revenue.

Net Profit

Net profit increased by RM28.0m or 6.7% to RM447.8m during the year. The increase is mainly due to an increase in EBITDA of RM228.6m and lower tax expenses of RM33.7m. The increase was offset by an increase in depreciation of set-top boxes and amortisation of software of RM197.4m and RM27.4m respectively.

Cash Flow

Decrease in cash of RM502.6m during the year is mainly due to dividend payment of RM441.9m, acquisition of property, plant and equipment of RM626.2m, purchase of unit trusts of RM529.0m, payment of interest of RM198.8m, repayment of borrowings of RM74.9m and acquisition of other investment of RM35.0m. This was offset by the higher operating cash flows of RM1,450.7m.

13 ANALYSIS OF PERFORMANCE (continued)

(c) Performance of the current year (YTD January 2014) against the corresponding year (YTD January 2013) (continued):

Television

Television registered an increase in total revenue in the current year of RM526.2m or 13.1%, which was mainly attributable to an increase in subscription, advertising and other revenue of RM341.2m, RM55.2m and RM129.8m respectively.

The increase in subscription revenue was due to higher ARPU for Pay-TV residential subscribers of RM2.80 (from RM93.20 to RM96.00) and an increase in number of Pay-TV residential subscribers by 166,800 from 3,275,500 to 3,442,300.

The increase in advertising revenue was due to festivals and events. Other revenue recorded an increase primarily due to higher licensing income, sales of decoders for NJOI customers, prepaid revenue and sales of programme rights.

Television EBITDA increased by RM192.3m or 15.0% mainly due to an increase in revenue as highlighted above, and partly offset by higher selling and distribution costs in relation to customer acquisition and higher content costs.

Radio

Radio’s revenue for the current year of RM246.8m was higher by RM32.1m compared with the corresponding year of RM214.7m. Radio's higher revenue performance was driven by the continuous strong listenership ratings attributed by the more youthful formats introduced, improved sales tactical campaigns coupled with incremental revenue from additional available inventory, as well as taking advantage of the festivals and events.

The favourable revenue and lower costs from staff related expenses, reversal of provision for doubtful debts arising from better collection and reversal of over accruals from prior years contributed to a higher EBITDA of RM135.3m, an increase of RM29.6m or 28.0% compared with the corresponding year.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

14 PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 JANUARY 2015

The Group continues to execute strongly on its key strategy of growing total revenues by providing differentiated content, a diverse range of value added products and services to suit all budgets, convenience, an engaging customer experience, as well as growing our relevance to advertisers.

Our new value added products and services such as Value Packs, focused on vernacular offerings, is driving strong customer take up, whilst our prepaid offering NJOI continues to receive strong response from consumers. To continue providing the best content for its customers, in the year 2014, the Group will be focusing on key sports content given the line-ups of key sporting events which attract a good following amongst our sports subscribers. The premier sports content is in addition to the best of local and international content that we produce, aggregate and distribute to our customers.

Our adex performance continues to outperform the industry's growth rate, underpinned by its increasing reach and relevance to advertisers given strong TV viewership and radio listenership. Combined with the availability of new platforms across TV, Radio and Digital media, the Group expects its comprehensive integrated marketing solutions to generate adex growth.

We remain active managers of all our cost lines, with disciplined monitoring of our key cost drivers. We have now completed the swapout of our Pay-TV customers onto the Astro B.yond platform, which will result in additional cost savings going forward. The Group continues to have good visibility on its operating expenses, in particular content costs, with the significant majority of our key content contracts secured on a long term basis.

On the basis of the above, the Board believes that the Group will continue to be cash generative; and given its financial strength, it will be able to both invest in its growth strategy, and pursue its progressive dividend policy.

15 PROFIT FORECAST OR PROFIT GUARANTEE

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

16 QUALIFICATION OF PRECEDING AUDITED ANNUAL FINANCIAL STATEMENTS

There was no qualification to the preceding audited annual financial statements for the financial year ended 31 January 2013.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

17 PROFIT BEFORE TAX

The following items have been charged/(credited) in arriving at the profit before tax:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/1/2014	QUARTER ENDED 31/1/2013	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013
	RM'm	RM'm	RM'm	RM'm
Amortisation of intangible assets	130.0	115.3	470.8	421.9
Depreciation of property, plant and Equipment	190.4	149.3	716.0	507.0
Impairment of receivables	25.1	14.1	64.3	57.9
(Reversal of listing expenses)/listing expenses	-	(2.5)	-	9.0
Finance income:				
- Interest income	12.4	13.4	45.0	50.0
- Unit trust	2.0	-	9.4	-
- Realised foreign exchange gains	-	2.6	0.8	12.4
	14.4	16.0	55.2	62.4
Finance costs:				
- Bank borrowings	25.9	28.9	106.0	127.7
- Finance lease liabilities	12.1	13.1	50.1	53.9
- Vendor financing	12.6	6.0	42.4	18.0
- Realised foreign exchange losses	6.7	-	-	-
- Unrealised foreign exchange losses	62.8	8.8	103.1	25.3
- Recycling of hedge reserves	(49.4)	(4.0)	(79.7)	(9.9)
- Fair value (gain)/loss on derivative recycled to income statement	4.3	13.8	34.3	46.8
- Others	2.8	3.9	11.5	16.7
	77.8	70.5	267.7	278.5

Other than as presented in the income statement and as disclosed above, there were no gain/loss on disposal of quoted and unquoted investments or properties, impairment of assets or any other exceptional items for the current quarter.

18 TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/1/2014	QUARTER ENDED 31/1/2013	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013
	RM'm	RM'm	RM'm	RM'm
Current tax	21.1	34.6	154.1	204.6
Deferred tax	(5.9)	(3.3)	(32.7)	(49.4)
	15.2	31.3	121.4	155.2

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

18 TAXATION (continued)

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/1/2014	QUARTER ENDED 31/1/2013	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013
	RM'm	RM'm	RM'm	RM'm
Profit before taxation	127.1	114.7	569.2	575.0
Tax at Malaysian corporate tax rate of 25%	31.8	28.7	142.3	143.8
Tax effect of:				
Unrecognised deferred tax asset	(0.8)	4.4	1.2	11.3
Recognition and utilisation of previously unrecognised temporary differences	(43.1)	(13.8)	(43.1)	(30.1)
Effect of changes in tax rate	(1.7)	-	(4.4)	-
Others (including expenses not deductible for tax purposes and income not subject to tax)	29.0	12.0	25.4	30.2
Taxation charge	15.2	31.3	121.4	155.2

19 STATUS OF CORPORATE PROPOSALS ANNOUNCED

Utilisation of IPO proceeds

On 19 October 2012, the entire issued and paid-up share capital of the Company was listed on the Main Market of Bursa Malaysia Securities Berhad.

As at 31 March 2014, the gross proceeds of RM1,422.9m from the Public Issue were utilised in the following manner:

	Proposed Utilisation Amount	Actual Utilisation Amount	Intended Timeframe for	Balance	
	RM'm	RM'm		RM'm	%
Repayment of bank borrowings	500.0	500.0	Within 12 months	-	-
Capital expenditure	750.0	297.6	Within 36 months	452.4	60
Working capital	112.9	38.5	Within 24 months	74.4	66
Estimated fees and expenses for the IPO and listing	60.0	48.8	Within 3 months	11.2*	19
	1,422.9	884.9		538.0	38

* Excess of the amounts allocated will be utilised for meeting general working capital requirements as disclosed in the Prospectus in relation to the IPO dated 21 September 2012

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

20 GROUP BORROWINGS AND DEBT SECURITIES

The amount of Group borrowings and debt securities as at 31 January 2014 are as follows:

	Current	Non-current	Total
	RM'm	RM'm	RM'm
Unsecured:			
Term loans			
- RM Term Loan	168.0	1,800.0	1,968.0
- USD Term Loan – USD330 million	84.3	985.8	1,070.1
	252.3	2,785.8	3,038.1
Less: Debt issuance costs	(7.5)	(28.1)	(35.6)
Term loans, net of debt issuance costs	244.8	2,757.7	3,002.5
Finance lease			
- Lease of transponders[(a)]	50.6	594.0	644.6
- Lease of equipment and software[(b)]	6.3	10.1	16.4
	56.9	604.1	661.0
	301.7	3,361.8	3,663.5

The Group borrowings and debt securities were denominated in the following currencies:

	Total
	RM'm
Ringgit Malaysia	2,602.0
United States Dollars ("USD")	1,061.5
	3,663.5

Note:

(a) Lease of transponders on the MEASAT 3 satellite and MEASAT 3A satellite from the lessor, MEASAT Satellite Systems Sdn. Bhd.("MSS"), a related party.

(b) HP lease for servers' hardware, software and testing environment hardware.

21 DERIVATIVE FINANCIAL INSTRUMENTS

(a) Disclosure of derivatives

Details of derivative financial instruments outstanding as at 31 January 2014 are set out below:

Types of derivatives	**Contract/ Notional Amount**	**Fair Value Assets**	**Fair Value Liabilities**
	RM'm	**RM'm**	**RM'm**
Forward foreign currency exchange contracts ("FX Contracts")			
- Less than 1 year	960.8	16.9	(1.2)
- 1 to 3 years	-	-	-
- More than 3 years	-	-	-
	960.8	16.9	(1.2)
Interest rate swaps ("IRS")			
- Less than 1 year	112.5	-	(3.3)
- 1 to 3 years	634.0	0.1	(2.0)
- More than 3 years	1,012.5	-	(5.6)
	1,759.0	0.1	(10.9)
Cross-currency interest rate swaps ("CCIRS")			
- Less than 1 year	82.2	4.9	(0.2)
- 1 to 3 years	305.3	27.6	-
- More than 3 years	739.4	79.4	-
	1,126.9	111.9	(0.2)

There have been no changes since the end of the previous financial year ended 31 January 2013 in respect of the following:

(i) the market risk and credit risk associated with the derivatives as these are used for hedging purposes;
(ii) the cash requirements of the derivatives;
(iii) the policies in place for mitigating or controlling the risks associated with the derivatives; and
(iv) the related accounting policies.

21 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(b) Disclosure of gains/(losses) arising from fair value

The Group determines the fair values of the derivative financial instruments relating to the FX Contracts using valuation techniques which utilise data from recognised financial information sources. Assumptions are based on market conditions existing at each balance sheet date. The fair values are calculated at the present value of the estimated future cash flow using an appropriate market based yield curve. As for IRS and CCIRS, the fair values were obtained from the counterparty banks.

As at 31 January 2014, the Group recognised net total derivative financial assets of RM116.6m, an increase of RM158.4m from the previous financial year ended 31 January 2013, on re-measuring the fair values of the derivative financial instruments. The corresponding decrease has been included in equity in the hedging reserve. For the current year, RM76.6m of the hedging reserve was transferred to the income statement to offset the unrealised loss of RM76.6m which resulted from the weakening of RM against USD. This resulted in an increase on the credit balance in the hedging reserve as at 31 January 2014 by RM81.9m to RM27.8m compared with the financial year ended 31 January 2013.

Forward foreign currency exchange contracts

Forward foreign currency exchange contracts are used to manage the foreign currency exposures arising from the Group's payables denominated in currencies other than the functional currencies of the Group. The forward foreign currency exchange contracts have maturities of less than one year after the balance sheet date. The notional principal amounts of the outstanding forward foreign currency exchange contracts at 31 January 2014 were RM960.8m (31 January 2013: RM261.5m).

Interest rate swaps

Interest rate swaps are used to achieve an appropriate interest rate exposure within the Group. The Group entered into interest rate swaps to hedge the cash flow risk in relation to the floating interest rate of a bank loan, as disclosed in Note 20 with notional principal amounts of RM1,462.5m (31 January 2013: RM1,500m) and vendor financing, as disclosed in Note 22 with notional principal amounts of RM97.7m and USD59.9m (31 January 2013: RM Nil). The interest rate swaps for bank loan were entered up to 10 years with an average fixed swap rate of 4.15% (31 January 2013: 4.15%). The Ringgit and USD dollar interest rate swaps for vendor financing were entered into for a period of up to 3 years with an average fixed swap rate of 3.61% and 0.45% respectively (31 January 2013: Nil).

Cross-currency interest rate swaps

To mitigate financial risks arising from adverse fluctuations in interest and exchange rates, the Group entered into cross-currency interest rate swaps with notional principal amounts of USD321.8m (2013: USD330.0m) for bank loan and USD17.7m (2013: USD Nil) for vendor financing. The cross-currency interest rate swap for bank loan was entered up to a period of 10 years and had an average fixed swap rate and exchange rate of 4.19% (inclusive of interest margin of 1%) (31 January 2013: 4.19% (inclusive of interest margin of 1%)) and USD/RM3.0189 (31 January 2013: USD/RM3.0189) respectively. The cross-currency interest rate swap for vendor financing was entered up to a period of 3 years and had an average fixed swap rate and exchange rate of 4.28% (inclusive of interest margin of 1.1%) and USD/RM3.2657 (31 January 2013: Nil).

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

22 PAYABLES

Included in payables are credit terms granted by vendors that generally range from 0 to 90 days (31 January 2013: 0 to 90 days). Vendors of set-top boxes and outdoor units have granted an extended payment terms of 24 and 36 months ("vendor financing") on Usance Letter of Credit Payable at Sight ("ULCP") and Promissory Notes ("PN") basis to the Group.

The effective interest rates at the end of the financial year ranged between 1.2% and 4.7% (31 January 2013: 1.4% and 4.6%) per annum.

As at 31 January 2014, the vendor financing included in payables is RM1,360.8m (31 January 2013: RM831.7m), comprising current portion of RM111.7m (31 January 2013: RM194.3m) and non-current portion of RM1,249.1m (31 January 2013: RM637.4m).

23 DISCLOSURE OF REALISED AND UNREALISED RETAINED PROFITS/(ACCUMULATED LOSSES)

The following analysis is prepared in accordance with Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad.

The breakdown of (accumulated losses)/retained profits of the Group as at the balance sheet date, into realised and unrealised (losses)/profits, pursuant to the directive, is as follows:

Group	**As at 31/1/2014**	**As at 31/1/2013**
	RM'm	**RM'm**
Total (accumulated losses)/retained profits of the Company and its subsidiaries:		
- Realised	(215.6)	(133.6)
- Unrealised[N1]	32.8	40.7
	(182.8)	(92.9)
Total retained profits from associates and joint ventures:		
- Realised	14.1	10.1
- Unrealised	-	-
	(168.7)	(82.8)
Less: Consolidation adjustments	(478.3)	(570.3)
Total accumulated losses as per consolidated balance sheets	(647.0)	(653.1)

N1 The unrealised retained profits/(accumulated losses) are mainly deferred tax provision and translation gains or losses of monetary items denominated in a currency other than the functional currency.

23 DISCLOSURE OF REALISED AND UNREALISED RETAINED PROFITS/(ACCUMULATED LOSSES) (continued)

The breakdown of retained profits of the Company as at the balance sheet date, into realised and unrealised profits, pursuant to the directive, is as follows:

Company	**As at 31/1/2014 RM'm**	**As at 31/1/2013 RM'm**
Total retained profits of the Company:		
- Realised	302.2	433.6
- Unrealised	-	-
	302.2	433.6

24 CHANGES IN MATERIAL LITIGATION

There have been no significant developments in material litigations since the last balance sheet included in the annual audited financial statements up to the date of this announcement, except for the following:-

(i) Claim by AV Asia Sdn. Bhd.

With regard to AV Asia's appeal to the Federal Court in respect of the interlocutory injunction, the hearing was brought forward to 29 August 2013. On 29 August 2013, the Federal Court had dismissed AV Asia's appeal with costs.

With regard to the arbitration, the tribunal has tentatively fixed July 2014 for hearing of the matter.

(ii) Application For Enforcement of The SIAC Awards in Indonesia

MBNS has been informed that the Supreme Court of Indonesia has dismissed its appeal against the CJDC's decision, inter alia, on grounds that the SIAC Awards:

(a) are contrary to public order;
(b) amount to interference with Indonesian judicial process; and
(c) violate the principles of the State and legal sovereignty of Indonesia.

Accordingly, the SIAC Awards remain unenforceable in Indonesia.

On the advice of its counsel, MBNS and the other Claimants have filed an application at the Supreme Court of Indonesia for judicial review on 28 February 2014.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

24 CHANGES IN MATERIAL LITIGATION (continued)

(iii) Civil Suit in Indonesia by PTDV (Civil Suit No. 533/PDT.G/2012/PN.JKT-SEL)

With regard to PTDV's claim on the alleged unlawful act or tort, MBNS along with other defendants, had filed an application challenging the jurisdiction of the South Jakarta District Court ("SJDC") to hear the case.

The challenge was made on the legal basis that the subject matter of this civil suit must be determined by way of arbitration under the SIAC rules as prescribed under the Subscription and Shareholders' Agreement dated 11 March 2005. This had already been heard and determined by way of the SIAC arbitration and awards in favour of MBNS and other Astro entities on this very issue.

Judgment has been entered in the terms of the SIAC Awards in Singapore, Malaysia, Hong Kong and England.

SJDC has on 28 August 2013 rejected MBNS' challenge and decided that it has jurisdiction over the dispute. This ruling is only in relation to the challenge to jurisdiction and the SJDC will proceed to hear the merits of the case in full.

MBNS has filed an appeal against the SJDC's decision on 9 September 2013.

(iv) Application For Enforcement of The SIAC Awards In Hong Kong

With regard to the garnishee proceedings in Hong Kong brought by MBNS, and other plaintiffs (collectively, the "Plaintiffs") against AcrossAsia Limited ("Garnishee"), the Hong Kong High Court had on 31 October 2013 delivered its judgement in favour of the Plaintiffs as follows:-

1. the garnishee order nisi dated 22 July 2011 issued by the Hong Kong High Court be made absolute;
2. the Garnishee's application to set aside the garnishee order nisi and to discharge the payment in order dated 21 March 2012 (as amended on 19 April 2012) issued by the Hong Kong High Court be dismissed; and
3. an order nisi be made for costs to the Plaintiffs, (i.e. that the Plaintiffs are to be paid their costs of the garnishee proceedings subject only to the Court being asked within 14 days to vary such order).

The garnishee proceedings form part of the Plaintiffs' enforcement efforts for the SIAC Awards issued in favour of the Plaintiffs by the arbitral tribunal constituted under the auspices of SIAC against PTFM and others. PTFM and the Garnishee sought to resist the garnishee proceedings by reference to a series of actions they had undertaken in Indonesia themselves. The Hong Kong High Court rejected the challenge by PTFM and the Garnishee in the garnishee proceedings and proceeded to make the garnishee order absolute.

The Hong Kong High Court found that it has jurisdiction to grant the garnishee order absolute and should do so on the facts. In particular, the Hong Kong High Court found that "there has been collusion on the part of the Lippo group of companies" whose actions amounted to a "charade". Finally, the Hong Kong High Court also noted that there is no reason to believe that any question of double jeopardy arises and even if it did it would have been "self-inflicted".

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

24 CHANGES IN MATERIAL LITIGATION (continued)

(iv) Application For Enforcement of The SIAC Awards In Hong Kong (continued)

Subsequent to the Hong Kong High Court judgement on 31 October 2013 and following the decision of the Court of Appeal of Singapore (see para (v) below), the Garnishee and PTFM have proceeded to file an appeal against the said decision and obtained an unconditional stay of the execution of the garnishee order absolute from the Hong Kong High Court. The stay order is granted pending the setting aside application by PTFM. The appeal by the Garnishee and PTFM is pending hearing.

(v) Application For Enforcement of The SIAC Awards In Singapore

With regard to the appeals brought by PTFM in the Singapore Court of Appeal ("Singapore COA") against the Singapore High Court judgment made in October 2012 which had determined that the SIAC Awards were enforceable in Singapore against PTFM, the Singapore COA had allowed PTFM's appeals on 31 October 2013.

The SIAC Awards were obtained in an SIAC arbitration commenced against PTAPM, PTFM and PTDV.

The eight claimants in the SIAC arbitration were ANI ("1st Claimant"), ANH ("2nd Claimant"), AMC ("3rd Claimant"), AM ("4th Claimant"), AOL ("5th Claimant"), AAAN ("6th Claimant"), MBNS ("7th Claimant") and AAMN ("8th Claimant") (collectively, "Astro"). The 7th Claimant, MBNS, is part of the Astro Malaysia group.

After a hearing before the Singapore COA from 10 to 12 April 2013, MBNS, a wholly owned subsidiary of the Company, as well as the other Claimants have on 31 October 2013 received the judgment of the Singapore COA. The Singapore COA had allowed PTFM's appeal to the extent that enforcement of the SIAC Awards is refused in relation to orders made that purport to apply as between PTFM and the 6th to 8th Claimants.

The judgment of the Singapore COA means that MBNS as well as the 6th and 8th Claimants are not able to enforce the monetary compensations in their favour against PTFM pursuant to the SIAC Awards in Singapore. However, the SIAC Awards remain valid as they have not been (and cannot be) set aside. Further, the SIAC Awards are still enforceable against PTFM in so far as the 1st to 5th Claimants are concerned. The SIAC Awards are also final, binding and conclusive in terms of their existence and legal effect against PTAPM and PTDV as these two companies did not apply to set aside or challenge the enforceability of the awards in Singapore.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

24 CHANGES IN MATERIAL LITIGATION (continued)

(v) Application For Enforcement of The SIAC Awards In Singapore (continued)

While the precise financial impact of the judgment of the Singapore COA on the amounts payable by PTFM under the SIAC Awards has yet to be determined, it is noteworthy that the judgment of the Singapore COA does not in any way affect the arbitral tribunal's favourable and binding findings in relation to Astro's conduct in the failed proposed joint venture to set up a DTH pay-TV business in Indonesia. The Judgments entered in favour of Astro in each of these respects remains and have also been entered in the Courts of England, Malaysia and Hong Kong.

In particular, the following declarations made by the arbitral tribunal in the Further Partial Award dated 3 October 2009 remain valid, binding and enforceable against PTAPM, PTFM and PTDV:

(i) there was no continuing binding joint venture agreement for PTDV either on the terms of the Subscription and Shareholders' Agreement dated 11 March 2005 ("SSA") or on amended or restructured terms or on terms either by way of addition or substitution of the parties;
(ii) the SSA was the only effective joint venture contract for PTDV and that it constituted the parties' entire agreement for a PTDV joint venture and superseded any alleged prior oral joint venture agreement;
(iii) the 1st to 5th Claimants themselves or through their affiliates were not bound to continue to provide cash advances or services to PTDV; and
(iv) there was no closing of the SSA.

Further, the order in the Interim Final Award dated 16 February 2010 that PTAPM shall not by itself or through any company or person commence or pursue further or other proceedings in Indonesia or elsewhere against the Claimants in relation to or in connection with the existence or otherwise of a binding joint venture agreement for PTDV or any financial relief thereto remains valid, binding and enforceable as against PTAPM. In that regard, insofar as proceedings before the South Jakarta District Court in Civil Suit No. 533/PDT.G/2012/PN.JKT-SEL ("Case 533" - refer item (iii) above) have been brought by PTAPM through PTDV, such proceedings remain in breach of the order in the Interim Final Award dated 16 February 2010 which remains valid, binding and enforceable as against PTAPM. Further, the proceedings in Case 533 are also contrary to the declarations made by the arbitral tribunal in the Further Partial Award dated 3 October 2009 as set out above.

No provision needs to be made resulting from the judgment of the Singapore COA as the underlying losses from the failed joint venture have already been fully provided for in the accounts of the Company.

Following the decision of the Singapore COA, the worldwide Mareva injunctions obtained by the Claimants on 8 July 2011, have ceased to be operative.

25 DIVIDENDS

(a) The Board of Directors has declared a fourth interim single-tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 January 2014 amounting to RM103,966,000, to be paid on 30 April 2014. The entitlement date for the dividend payment is 15 April 2014.

A depositor shall qualify for entitlement to the dividend only in respect of:

(i) shares transferred to the depositor's securities account before 4.00 pm on 15 April 2014 in respect of transfers; and

(ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

The Board of Directors also recommended for shareholders' approval at the forthcoming Annual General Meeting a final single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 January 2014, to be paid on a date to be determined.

(b) The total dividends paid and proposed for the financial year ended 31 January 2014 is 9.0 sen per share, based on 5,198,300,000 ordinary shares (31 January 2013: RM2,738.25 per share, based on 98,238 ordinary shares and 4.0 sen per share, based on 5,198,300,000 ordinary shares).

26 EARNINGS PER SHARE

The calculation of basic earnings per ordinary share at 31 January 2014 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding.

The calculation of diluted earnings per ordinary shares at 31 January 2014 was based on profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share as at 31 January 2014:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/1/2014	QUARTER ENDED 31/1/2013	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013
Profit attributable to the equity holders of the Company (RM'm)	111.4	83.2	448.0	418.0
(i) Basic EPS				
Weighted average number of issued ordinary shares ('m)	5,198.3	5,198.1	5,198.3	1,879.0
Basic earnings per share (RM)	0.021	0.016	0.086	0.222

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

26 EARNINGS PER SHARE (continued)

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share as at 31 January 2014 (continued):

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/1/2014	QUARTER ENDED 31/1/2013	YEAR ENDED 31/1/2014	YEAR ENDED 31/1/2013
(ii) Diluted EPS				
Weighted average number of issued Ordinary shares ('m)	5,198.3	5,198.1	5,198.3	1,879.0
Effect of dilution:				
Grant of share awards under the management share scheme ('m)	7.8	2.5	7.7	2.5
	5,206.1	5,200.6	5,206.0	1,881.5
Diluted earnings per share (RM)	0.021	0.016	0.086	0.222

(1) n/a denotes "Not Applicable" as there were no dilutive ordinary shares.

Note:
Based on the number of shares outstanding as at 31 January 2013 on a proforma basis, the diluted earnings per share attributable to equity holders of the Company for the quarter ended and year ended is RM0.016 and RM0.080 respectively.

27 MATERIAL EVENTS SUBSEQUENT TO END OF THE FINANCIAL YEAR

(i) On 11 February 2014, ARV has entered into a Shareholders' Agreement ("SHA") with GS Home Shopping Inc. ("GSHS") to establish a home shopping business in Malaysia through Astro GS Shop Sdn. Bhd. ("AGSSB").

AGSSB was subsequently incorporated on 18 February 2014 with an initial issued and paid-up share capital of RM10.00 comprising 10 ordinary shares of RM1 each, issued to ARV and GSHS in the proportion of 60% and 40% respectively. Pursuant to the SHA, ARV and GSHS have on 4 March 2014 subscribed for a further 2,999,994 and 1,999,996 ordinary shares of RM1 each in AGSSB , proportionate to their respective shareholding proportion of 60% and 40% respectively.

(ii) On 21 February 2014, ASM has acquired the remaining 50% equity interest in the share capital of Asia Sports Ventures Pte Ltd ("ASV") comprising 2,000,000 ordinary shares of SGD1 each and 1,000,000 redeemable convertible preference shares of SGD1 each. Consequently, ASV becomes a wholly-owned subsidiary of ASM and indirectly, of the Company.

Other than the above, there were no material subsequent events during the period from the end of the quarter review to 31 March 2014.

28 COMPARATIVE BALANCES

The following comparative balances have been reclassified to conform to the current year's presentation which more accurately reflects the nature of relevant transactions. The Group's prior results are not affected by these reclassification.

Consolidated Balance sheet

	As previously stated RM'm	Reclassifications RM'm	As restated RM'm
Non-current assets			
Receivables and prepayments	136.2	138.8	275.0
Current assets			
Receivables and prepayments	890.2	(138.8)	751.4
Current liabilities			
Payables	1,416.8	(27.7)	1,389.1
Derivative financial instruments	1.0	6.5	7.5
Borrowings	125.2	13.7	138.9
Non-current liabilities			
Borrowings	3,556.4	7.5	3,563.9

The reclassifications of receivables are pertaining to prepayments and deposits which are non-current in nature. The reclassifications of borrowing and derivative financial instruments are in relation to accrual of interest on these instruments previously included within payables.

Consolidated Statement of cash flows

Net cash flows used in investing activities	(538.3)	(1,089.3)	(1,627.6)
Cash and cash equivalents balance	1,607.7	(1,089.3)	518.5

The reclassification of cash flows in the cash flow statement is to exclude deposits with maturity of more than 3 months from "cash and cash equivalents" to investing activities.

BY ORDER OF THE BOARD

LIEW WEI YEE SHARON
(License No. LS0007908)

Company Secretary
31 March 2014