

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

**QUARTERLY REPORT FOR THE  
FINANCIAL PERIOD ENDED 30 APRIL 2014**

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 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 first quarter ended 30 April 2014 which should be read in conjunction with the audited financial statements for the financial year ended 31 January 2014 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**

	<u>INDIVIDUAL QUARTER</u>		%	<u>CUMULATIVE QUARTER</u>		%
	<u>QUARTER</u>	<u>QUARTER</u>		<u>PERIOD</u>	<u>PERIOD</u>	
	<u>ENDED</u>	<u>ENDED</u>		<u>ENDED</u>	<u>ENDED</u>	
Note	<u>30/4/2014</u>	<u>30/4/2013</u>		<u>30/4/2014</u>	<u>30/4/2013</u>	
	RM'm	RM'm		RM'm	RM'm	
<b>Revenue</b>	1,253.9	1,125.8	+11	1,253.9	1,125.8	+11
Cost of sales	(797.3)	(695.3)		(797.3)	(695.3)	
<b>Gross profit</b>	456.6	430.5	+6	456.6	430.5	+6
<b>Other operating income</b>	11.7	7.4		11.7	7.4	
Marketing and distribution costs	(126.3)	(127.9)		(126.3)	(127.9)	
Administrative expenses	(129.7)	(117.8)		(129.7)	(117.8)	
<b>Profit from operations</b>	212.3	192.2	+10	212.3	192.2	+10
Finance income	19.0	24.9		19.0	24.9	
Finance costs	(63.8)	(60.0)		(63.8)	(60.0)	
Share of post-tax results from investments accounted for using the equity method	0.7	0.7		0.7	0.7	
<b>Profit before tax</b>	168.2	157.8	+7	168.2	157.8	+7
Tax expense	(39.3)	(44.0)		(39.3)	(44.0)	
<b>Profit for the financial period</b>	128.9	113.8	+13	128.9	113.8	+13
<b>Attributable to:</b>						
Equity holders of the Company	128.3	114.1	+13	128.3	114.1	+13
Non-controlling interests	0.6	(0.3)		0.6	(0.3)	
	128.9	113.8	+13	128.9	113.8	+13
Earnings per share attributable to equity holders of the Company (RM):						
- Basic	0.025	0.022		0.025	0.022	
- Diluted	0.025	0.022		0.025	0.022	

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>QUARTER</u>	<u>QUARTER</u>	<u>PERIOD</u>	<u>PERIOD</u>
	<u>ENDED</u>	<u>ENDED</u>	<u>ENDED</u>	<u>ENDED</u>
	<u>30/4/2014</u>	<u>30/4/2013</u>	<u>30/4/2014</u>	<u>30/4/2013</u>
	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>
<b>Profit for the financial period</b>	128.9	113.8	128.9	113.8
<b>Other comprehensive (loss)/income:</b>				
Items that will be reclassified subsequently to profit or loss:				
- Net change in cash flow hedge	(29.8)	(24.0)	(29.8)	(24.0)
- Net change in available-for-sale financial assets	0.1	-	0.1	-
Foreign currency translation	-	-	-	-
Other comprehensive loss, net of tax	(29.7)	(24.0)	(29.7)	(24.0)
<b>Total comprehensive income for the financial period</b>	<u>99.2</u>	<u>89.8</u>	<u>99.2</u>	<u>89.8</u>
<b>Attributable to:</b>				
Equity holders of the Company	98.6	90.1	98.6	90.1
Non-controlling interests	0.6	(0.3)	0.6	(0.3)
	<u>99.2</u>	<u>89.8</u>	<u>99.2</u>	<u>89.8</u>

# Denotes RM21,000

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

QUARTERLY REPORT FOR THE FIRTH QUARTER ENDED 30 APRIL 2014

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**

	Note	AS AT 30/4/2014 Unaudited RM'm	AS AT 31/1/2014 Audited RM'm
<b>Non-current assets</b>			
Property, plant and equipment		2,052.9	2,157.0
Investments in associates		46.4	44.0
Investments in joint ventures		7.9	13.9
Other investment		44.1	40.8
Receivables and prepayments		161.5	154.6
Deferred tax assets		48.0	49.6
Derivative financial instruments	21	83.9	107.1
Intangible assets		1,889.2	1,870.3
		4,333.9	4,437.3
<b>Current assets</b>			
Inventories		17.3	17.5
Receivables and prepayments		913.5	991.5
Derivative financial instruments	21	14.7	21.8
Investment in unit trusts		359.3	529.3
Tax recoverable		2.7	0.8
Cash and bank balances		1,293.6	1,105.2
		2,601.1	2,666.1
<b>Total assets</b>		6,935.0	7,103.4
<b>Current liabilities</b>			
Payables	22	1,348.5	1,426.3
Derivative financial instruments	21	21.8	4.7
Borrowings	20	317.2	301.7
Tax liabilities		25.3	14.0
		1,712.8	1,746.7
<b>Net current assets</b>		888.3	919.4

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET (continued)**

	Note	AS AT 30/4/2014 Unaudited RM'm	AS AT 31/1/2014 Audited RM'm
<b>Non-current liabilities</b>			
Payables	22	1,149.1	1,249.2
Derivative financial instruments	21	10.4	7.6
Borrowings	20	3,333.9	3,361.8
Deferred tax liabilities		110.0	121.1
		<u>4,603.4</u>	<u>4,739.7</u>
<b>Total liabilities</b>		<u>6,316.2</u>	<u>6,486.4</u>
<b>Net assets</b>		<u>618.8</u>	<u>617.0</u>
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital		519.8	519.8
Share premium		6,165.4	6,165.4
Exchange reserve		0.0 <sup>^</sup>	0.0 <sup>\$</sup>
Capital redemption reserve		0.0 <sup>@</sup>	0.0 <sup>@</sup>
Capital reorganisation reserve		(5,470.2)	(5,470.2)
Hedging reserve		(2.0)	27.8
Fair value reserve		0.3	0.2
Share scheme reserve		21.5	16.9
Accumulated losses		(622.7)	(647.0)
		<u>612.1</u>	<u>612.9</u>
Non-controlling interests		6.7	4.1
<b>Total equity</b>		<u>618.8</u>	<u>617.0</u>

<sup>^</sup> Denotes RM48,000

<sup>\$</sup> Denotes RM27,000

<sup>@</sup> Denotes RM677.50

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

Period ended 30/4/2014	Attributable to equity holders of the Company											
	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 1/2/2014	519.8	6,165.4	0.0 <sup>§</sup>	0.0 <sup>@</sup>	(5,470.2)	27.8	0.2	16.9	(647.0)	612.9	4.1	617.0
Profit for the financial period	-	-	-	-	-	-	-	-	128.3	128.3	0.6	128.9
Other comprehensive (loss)/income for the financial period	-	-	- <sup>#</sup>	-	-	(29.8)	0.1	-	-	(29.7)	-	(29.7)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	- <sup>#</sup>	-	-	(29.8)	0.1	-	128.3	98.6	0.6	99.2
Ordinary shares dividends	-	-	-	-	-	-	-	-	(104.0)	(104.0)	-	(104.0)
Issuance of shares to non-controlling interests	-	-	-	-	-	-	-	-	-	-	2.0	2.0
Share-based payment transaction	-	-	-	-	-	-	-	4.6	-	4.6	-	4.6
<b>Transactions with owners</b>	-	-	-	-	-	-	-	4.6	(104.0)	(99.4)	2.0	(97.4)
At 30/4/2014	519.8	6,165.4	0.0 <sup>^</sup>	0.0 <sup>@</sup>	(5,470.2)	(2.0)	0.3	21.5	(622.7)	612.1	6.7	618.8

<sup>^</sup> Denotes RM48,000

<sup>§</sup> Denotes RM27,000

<sup>#</sup> Denotes RM21,000

<sup>@</sup> Denotes RM677.50

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)**

	Attributable to equity holders of the Company										
	Share capital	Share premium	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
<b>Period ended 30/4/2013</b>											
At 1/2/2013	519.8	6,165.4	0.0 <sup>\$</sup>	0.0*	(5,470.2)	(54.1)	4.0	(653.1)	511.8	4.3	516.1
Profit for the financial period	-	-	-	-	-	-	-	114.1	114.1	(0.3)	113.8
Other comprehensive loss for the financial period	-	-	-	-	-	(24.0)	-	-	(24.0)	-	(24.0)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	-	-	(24.0)	-	114.1	90.1	(0.3)	89.8
Listing expenses	-	0.2	-	-	-	-	-	-	0.2	-	0.2
Ordinary shares dividends	-	-	-	-	-	-	-	(78.0)	(78.0)	-	(78.0)
Share-based payment transaction	-	-	-	-	-	-	3.0	-	3.0	-	3.0
<b>Transactions with owners</b>	-	0.2	-	-	-	-	3.0	(78.0)	(74.8)	-	(74.8)
At 30/4/2013	519.8	6,165.6	0.0 <sup>\$</sup>	0.0*	(5,470.2)	(78.1)	7.0	(617.0)	527.1	4.0	531.1

\* Denotes RM677.50

\$ Denotes RM27,000

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>PERIOD ENDED 30/4/2014</b>	<b>PERIOD ENDED 30/4/2013*</b>
	<b>RM'm</b>	<b>RM'm</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	168.2	157.8
<u>Adjustments for:</u>		
Non-cash items^	336.7	270.4
Interest expense	53.4	49.3
Interest income	(14.3)	(12.1)
Fair value gain on measuring equity interest in a joint venture	(9.0)	-
<b>Operating cash flows before changes in working capital</b>	535.0	465.4
Changes in working capital	(80.4)	(41.0)
<b>Cash flows from operations</b>	454.6	424.4
Income tax paid	(37.6)	(39.7)
Interest received	8.6	12.2
<b>Net cash flows generated from operating activities</b>	425.6	396.9
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment and intangibles	0.3	-
Purchase of property, plant and equipment and intangibles	(130.0)	(139.5)
Disposal of unit trusts	170.0	-
Acquisition of other investment	(3.3)	-
Acquisition of subsidiary, net of cash and cash equivalents acquired	(11.3)	-
Maturities of fixed deposits	185.2	524.4
Interest received on advances to associate	0.5	5.7
Repayment of long-term advances to associate	-	4.2
Advances to joint venture	-	(0.8)
<b>Net cash flows generated from investing activities</b>	211.4	394.0
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(104.0)	(78.0)
Interest paid	(25.8)	(27.2)
Issuance of shares to non-controlling interests	2.0	-
Payment for set-top boxes	(135.5)	(30.3)
Payment of finance lease liabilities	(0.2)	(24.2)
<b>Net cash flows used in from financing activities</b>	(263.5)	(159.7)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	373.5	631.2
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES</b>	-	-
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	353.2	518.5
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR#</b>	726.7	1,149.7



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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 period ended 30 April 2014, the Group acquired property, plant and equipment by means of vendor financing of RM68.1m (30 April 2013: RM230.1m). The Group had repaid RM135.5m (30 April 2013: RM30.3m) 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 2014.

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 2014 except for the adoption of the new accounting policy below:

**Customer loyalty programmes**

Loyalty points under the customer loyalty programmes are accounted for as a separately identifiable component of the transaction in which they are granted. The fair value of the consideration received in respect of the initial sale is allocated between the cost of loyalty points and the other components of the sale. The consideration allocated to loyalty points is recognised in the income statements under the caption of ‘revenue’ when loyalty points are redeemed.

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on 1 February 2014 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

- Amendments to MFRS 10, 12 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)
- IC Interpretation 21 Levies (effective from 1 January 2014)

**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 2015:

- MFRS 119 Defined Benefit Plans : Employee Contributions (effective from 1 July 2014)
- Annual Improvements to MFRS 2010 – 2012 Cycle (effective from 1 July 2014)

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**1 BASIS OF PREPARATION (continued)**

**MFRSs and Amendments to MFRSs that is applicable to the Group but not yet effective (continued)**

- Annual Improvements to MFRS 2011 – 2013 Cycle (effective from 1 July 2014)
- MFRS 9 Financial Instruments – Classification and Measurement of Financial Assets and Financial Liabilities (effective date yet to be determined by MASB)

**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 first quarter ended 30 April 2014.

**4 MATERIAL CHANGES IN ESTIMATES**

In the current financial period, the Group conducted a periodic review and revised its estimates in relation to the amortisation of program rights based on the estimated pattern of consumption through its multi-channel distribution of program rights. The impact of the change in the estimates on the Group's income statement for the quarter is an increase of RM12.3 million in reported EBITDA and profit before tax.

**5 DEBT AND EQUITY SECURITIES**

There were no issuance, repurchase and repayment of debt and equity securities by the Group during the first quarter ended 30 April 2014.

**6 DIVIDENDS PAID**

The 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 was paid on 30 April 2014.

Refer to Note 25 for dividends declared during the first quarter ended 30 April 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:

- The television segment is a provider of television services including television content, creation, aggregation and distribution, magazine publication and distribution and multimedia interactive services;
- The radio segment is a provider of radio broadcasting services; and
- 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.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**7 SEGMENT RESULTS AND REPORTING (continued)**

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.

**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.

<u>Quarter ended</u> <u>30/4/2014</u>	<u>Television</u> RM'm	<u>Radio</u> RM'm	<u>Others</u> RM'm	<u>Corporate</u> <u>Function</u> RM'm	<u>Elimination</u> RM'm	<u>Total</u> RM'm
External revenue	1,196.7	53.3	-	3.9	-	1,253.9
Interest income	5.3	0.5	0.6	31.7	(23.8)	14.3
Interest expense	(49.4)	(0.1)	(0.6)	(27.1)	23.8	(53.4)
Depreciation and amortisation	(311.8)	(1.4)	-	(1.4)	4.7	(309.9)
Share of post-tax results from investments accounted for using the equity method	(1.7)	-	2.4	-	-	0.7
Segment profit/(loss) – Profit/(loss) before tax	<u>144.7</u>	<u>22.3</u>	<u>(3.7)</u>	<u>(7.5)</u>	<u>12.4</u>	<u>168.2</u>
<b><u>As at 30/4/2014</u></b>						
Segment assets	<u>5,145.0</u>	<u>1,403.3</u>	<u>50.0</u>	<u>1,113.3</u>	<u>(827.7)</u>	<u>6,883.9</u>
Segment liabilities	<u>3,626.6</u>	<u>306.9</u>	<u>15.2</u>	<u>3,042.2</u>	<u>(810.0)</u>	<u>6,180.9</u>

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**7 SEGMENT RESULTS AND REPORTING (continued)**

<u>Quarter ended</u> <u>30/4/2013</u>	<u>Television</u> <u>RM'm</u>	<u>Radio</u> <u>RM'm</u>	<u>Others</u> <u>RM'm</u>	<u>Corporate</u> <u>Function</u> <u>RM'm</u>	<u>Elimination</u> <u>RM'm</u>	<u>Total</u> <u>RM'm</u>
External revenue	1,073.5	49.2	-	3.1	-	1,125.8
Interest income	5.1	0.6	-	35.4	(29.0)	12.1
Interest expense	(48.9)	-	(0.6)	(28.8)	29.0	(49.3)
Depreciation and amortisation	(272.0)	(1.0)	-	(1.1)	9.6	(264.5)
Share of post-tax results from investments accounted for using the equity method	(0.7)	-	1.4	-	-	0.7
Segment profit/(loss) – Profit/(loss) before tax	144.0	21.1	(1.1)	(9.0)	2.8	157.8
<u>As at</u> <u>31/1/2014</u>	<u>Television</u> <u>RM'm</u>	<u>Radio</u> <u>RM'm</u>	<u>Others</u> <u>RM'm</u>	<u>Corporate</u> <u>Function</u> <u>RM'm</u>	<u>Elimination</u> <u>RM'm</u>	<u>Total</u> <u>RM'm</u>
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

**8 CHANGES IN THE COMPOSITION OF THE GROUP**

- (i) On 11 February 2014, Astro Retail Ventures Sdn. Bhd. (“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.

On 5 May 2014, ARV and GSHS have subscribed for a further 9,000,000 and 6,000,000 ordinary shares of RM1 each in AGSS, proportionate to their respective shareholding proportion of 60% and 40% respectively.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**8 CHANGES IN THE COMPOSITION OF THE GROUP (continued)**

- (ii) On 21 February 2014, Astro Sports Marketing Sdn. Bhd. (“ASM”) 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 became a wholly-owned subsidiary of ASM and indirectly, of the Company. ASV is principally engaged in the development and global commercialisation of the sport of sepaktakraw and the Group is expected to benefit from the sole and exclusive rights to the sports property.

Details of the identifiable assets, liabilities and net cash outflow arising from the acquisition of the subsidiary are as follows:

	Net book value <u>RM'm</u>
Intangible assets	9.5
Cash and cash equivalent	1.8
Other receivables	0.4
Other payables	(0.4)
Advances from ASM	<u>(2.4)</u>
Total identifiable net assets	8.9
Add : Goodwill	17.3
Less : Fair value of previous stake	<u>(13.1)</u>
Cash outflow on acquisition	13.1
Less : Cash and cash equivalent of subsidiary acquired	<u>(1.8)</u>
Net cash outflow on acquisition of subsidiary	<u>11.3</u>

The Group recognised a gain of RM9.0m as a result of measuring at fair value its 50% equity interest in ASV held before the business combination. The gain is included in “other income” in the Group’s income statement for the financial period ended 30 April 2014.

The revenue included in the consolidated income statement since 21 February 2014 contributed by ASV was RM0.3m whilst its contribution to the Group’s profit was a loss of RM1.5m. If the acquisition had occurred on 1 February 2014, the revenue included in the consolidated income statement would have been RM0.3m whilst its contribution to the Group’s profit would have been a loss of RM2.0m.

The goodwill recognised and fair value gain on re-measuring the previously held equity interest is provisional until an independent valuation is performed to finalise the assessment and valuation of the fair value of all identifiable assets and liabilities assumed. This is reasonably expected to be concluded by the end of the financial year. Goodwill arising from this acquisition, the carrying amount of intangible assets and any corresponding deferred tax impact will be adjusted accordingly on a retrospective basis when the assessment and valuation of all identifiable assets and liabilities assumed are finalised.

Save for the above, there were no other changes in the composition of the Group during the first quarter ended 30 April 2014.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**9 INDEMNITY, GUARANTEES AND CONTINGENT ASSETS**

**a. Indemnity and guarantees**

Details of the indemnity and guarantees of the Group as at 30 April 2014, for which no provision has been made in the interim financial statements, are as set out below:

	Group	
	30/4/2014	31/1/2014
	RM'm	RM'm
Indemnity given to financial institutions in respect of bank guarantees issued (unsecured):		
- Programme rights vendors <sup>1</sup>	151.6	166.7
- Others <sup>2</sup>	14.0	12.8
Other indemnities:		
- Guarantee to programme rights vendor provided by AMH <sup>1</sup>	109.0	110.6
- Indemnity to Maxis Berhad (“Maxis”) pursuant to shareholders’ obligations in respect of Advanced Wireless Technologies Sdn. Bhd.	6.3	6.3
	280.9	296.4

Notes:

<sup>1</sup> Included as part of the programming commitments for programme rights as set out in Note 10.

<sup>2</sup> 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 30 April 2014 (31 January 2014: Nil).

**10 COMMITMENTS**

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

	30/4/2014			31/1/2014		
	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*	2,772.4	491.3	3,263.7	2,868.5	185.7	3,054.2
Software	249.2	63.2	312.4	258.2	98.4	356.6
Film library and programme rights	1,220.5	338.4	1,558.9	1,227.2	466.8	1,694.0
	4,242.1	892.9	5,135.0	4,353.9	750.9	5,104.8

\* 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 RM1,759.3m and RM544.1m respectively. MSS is a subsidiary of a company in which Ananda Krishnan Tatparanandam (“TAK”) has a 99% direct equity interest.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**11 SIGNIFICANT RELATED PARTY DISCLOSURES**

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 the Company and 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.

**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
MEASAT Satellite Systems Sdn. Bhd	Subsidiary of a company in which TAK has a 99% direct equity interest

	Transaction for the period ended <u>30/4/2014</u> RM’m	Transaction for the period ended <u>30/4/2013</u> RM’m	Balances due from/(to) as at <u>30/4/2014</u> RM’m	Balances due from/(to) as at <u>31/1/2014</u> RM’m	Commitments as at <u>30/4/2014</u> RM’m	Commitments as at <u>31/1/2014</u> RM’m
(i) Sales of goods and services						
- Maxis Mobile Services Sdn. Bhd. (Multimedia and interactive)	2.5	3.0	3.8	4.3	-	-
- Maxis Broadband Sdn. Bhd. (Licensing income)	4.4	-	12.8	7.5	-	-

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**11 SIGNIFICANT RELATED PARTY DISCLOSURES (continued)**

	Transaction for the period ended <u>30/4/2014</u> RM'm	Transaction for the period ended <u>30/4/2013</u> RM'm	Balances due from/(to) as at <u>30/4/2014</u> RM'm	Balances due from/(to) as at <u>31/1/2014</u> RM'm	Commitments as at <u>30/4/2014</u> RM'm	Commitments as at <u>31/1/2014</u> RM'm
(i) Sales of goods and services						
- Kristal-Astro Sdn. Bhd. (Programme services and right sales, technical support and smartcard rental )	6.2	4.0	2.2	5.7	-	-
- ASTRO Overseas Limited (Management fees)	3.6	2.9	8.3	4.7	-	-
(ii) Purchases of goods and services						
- UTSB Management Sdn. Bhd. (Personnel, strategic and other consultancy and support services)	4.6	4.5	(2.9)	(3.2)	-	-
- Maxis Broadband Sdn. Bhd. (Telecommunication services)	14.7	11.8	(22.5)	(15.8)	-	-
- MEASAT International (South Asia) Ltd. (Deposit paid on transponder lease)	-	-	65.4	66.4	1,759.3	1,785.9
- MEASAT Satellite Systems Sdn. Bhd. (Deposit paid on transponder lease)	-	-	68.3	68.3	544.1	552.4
- Sun TV Network Limited (Programme broadcast rights)	8.0	7.7	(7.5)	(7.5)	-	-
- Celestial Movie Channel Limited (Programme broadcast rights)	4.4	3.7	(1.6)	(1.6)	-	-
- Endemol Malaysia Entertainment Group Sdn. Bhd. (Programming rights)	8.6	4.4	1.6	4.9	26.8	35.4
- Tiger Gate Entertainment Limited (Programming rights)	2.9	2.6	(2.1)	(1.3)	-	-
(iii) Key management personnel compensation						
- Salaries, bonus and allowances and other staff related costs	11.4	13.1				
- Share-based payments compensations	1.8	1.0				
- Directors fees	0.5	0.5				
- Defined contribution plans	1.5	2.0				
- Estimated money value of benefit-in-kind	-	0.3				



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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 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 period ended 30 April 2014, management estimates that the aggregate amounts of the Group significant transactions with government-related entities are at 2.5% of its total administrative expenses and 1.8% 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 30 April 2014 approximated their fair values except as set out below:

(Assets)/Liabilities measured at amortised cost:

	Carrying amount	Level 1	Level 2	Level 3
	RM'm	RM'm	RM'm	RM'm
<u>30 April 2014</u>				
Other investments - bonds	(35.0)	-	(35.1)	-
Borrowings – finance lease liabilities	659.9	-	768.6	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>31 January 2014</u>				
Other investments - bonds	(35.0)	-	(35.2)	-
Borrowings – finance lease liabilities	661.0	-	771.4	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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:

	<u>Carrying amount</u> RM'm	<u>Level 1</u> RM'm	<u>Level 2</u> RM'm	<u>Level 3</u> RM'm
<u>Recurring fair value measurements</u>				
<u>30 April 2014</u>				
Other investments – Investment in unit trusts	(359.3)	(359.3)	-	-
Other investments – Series A-1 preference shares in unquoted company	(5.8)	-	(5.8)	-
Other investments – Convertible promissory notes	(3.3)	-	(3.3)	-
Forward foreign currency exchange contracts – cash flow hedges	(0.1)	-	(0.1)	-
Interest rate swaps – cash flow hedges	13.2	-	13.2	-
Cross-currency interest rate swaps – cash flow hedges	(79.5)	-	(79.5)	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>31 January 2014</u>				
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)	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

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 2 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.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**13 ANALYSIS OF PERFORMANCE**

- (a) Performance of the current quarter (First Quarter FY15) against the corresponding quarter (First Quarter FY14):

*All amounts in RM'm unless otherwise stated*

	Financial Highlights		Key Operating Indicators	
	QUARTER	QUARTER	QUARTER	QUARTER
	ENDED	ENDED	ENDED	ENDED
	30/4/2014	30/4/2013	30/4/2014	30/4/2013
<b><u>Consolidated Performance</u></b>				
Total revenue	1,253.9	1,125.8		
EBITDA <sup>1</sup>	441.2	380.9		
EBITDA margin (%)	35.2	33.8		
Profit before tax	168.2	157.8		
Net profit	128.9	113.8		
Net increase in cash	188.4	106.8		
<b><u>(i) Television</u></b>				
Subscription revenue	1,053.7	971.6		
Advertising revenue	69.0	66.3		
Other revenue	74.0	35.6		
Total revenue	1,196.7	1,073.5		
EBITDA	413.4	364.9		
EBITDA margin (%)	34.5	34.0		
Profit before tax	144.7	144.0		
Total residential subscribers-end of period ('000)			3,996.0	3,579.9
Pay-TV residential subscribers-end of period <sup>2</sup> ('000)			3,470.4	3,315.8
Pay-TV residential subscribers-net additions ('000)			28.1	40.3
Non-subscription customers-end of period ('000)			525.6	264.1
Non-subscription customers-net additions ('000)			83.7	55.1
Pay-TV residential ARPU <sup>3</sup> (RM)			97.1	94.2
MAT Churn <sup>4</sup> (%)			9.9	7.9

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 (First Quarter FY15) against the corresponding quarter (First Quarter FY14) (continued):

*All amounts in RM'm unless otherwise stated*

Financial Highlights		Key Operating Indicators	
QUARTER ENDED	QUARTER ENDED	QUARTER ENDED	QUARTER ENDED
30/4/2014	30/4/2013	30/4/2014	30/4/2013

**(ii) Radio**

Revenue	53.3	49.2		
EBITDA <sup>1</sup>	23.4	21.4		
EBITDA margin (%)	43.9	43.5		
Profit before tax	22.3	21.1		
Listeners ('000) <sup>5</sup>			12,645	12,344
Share of Radex <sup>6</sup> (%)			59.1	52.6

**Notes:**

- 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.
- Included in the Pay-TV residential subscribers-end of period ('000) number of 3,470.4m were 116,600 (Quarter 1 FY14: 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.
- 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.
- 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.
- Based on the Radio Listenership Survey by Nielsen dated 4 June 2014 (Quarter 1 FY14: 22 October 2012).
- Based on Advertising expenses (“Adex”) from Nielsen Media Report dated 15 May 2014 (Quarter 1 FY14: 14 May 2013). Radex is radio advertising expenditure.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 (First Quarter FY15) against the corresponding quarter (First Quarter FY14) (continued):

**Consolidated Performance**

**Revenue**

Revenue for the current quarter of RM1,253.9m was higher by RM128.1m or 11.4% against corresponding quarter of RM1,125.8m. This was mainly due to the increase in subscription, advertising and other revenue of RM82.1m, RM6.8m and RM39.2m respectively.

The increase in subscription revenue is attributed to both an increase in ARPU for Pay-TV residential subscribers of RM2.90 (from RM94.20 to RM97.10) and an increase in number of Pay-TV residential subscribers by 154,600 (from 3,315,800 to 3,470,400).

The increase in other revenue is due to an increase in licensing income of RM27.4m and sales of decoders for NJOI customers of RM4.2m.

Radio's revenue for the current quarter of RM53.3m was higher by RM4.1m compared with corresponding quarter of RM49.2m. The higher revenue performance was driven by continuous strong listenership ratings.

**EBITDA margin**

EBITDA margin increased by 1.4% against corresponding quarter mainly due to disciplined cost management. The cost management initiatives resulted in lower marketing and market research costs and staff related costs as a percentage of revenue.

**Net Profit**

Net profit increased by RM15.1m or 13.3% compared with the corresponding quarter. The increase in net profit is mainly due to the increase in EBITDA of RM60.3m and decrease in tax expenses of RM4.7m, which was offset by an increase in depreciation of set-top boxes of RM29.3m, amortisation of software of RM8.1m and an increase in net finance costs of RM9.7m.

**Cash Flow**

Increase in cash of RM81.6m as compared with corresponding quarter is mainly due to higher operating cash flows of RM28.7m, sales of unit trusts of RM170.0m and lower repayment of finance lease liabilities of RM24.0m. This was offset by higher payment for set-top boxes of RM105.2m, acquisition of subsidiary of RM11.3m and higher dividend payment of RM26.0m.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 (First Quarter FY15) against the corresponding quarter (First Quarter FY14) (continued):

**Television**

Television registered an increase in total revenue of RM123.2m (or 11.5%) compared with corresponding quarter, which was mainly attributable to the increase in subscription and other revenue of RM82.1m and RM38.4m respectively.

The increase in subscription revenue is attributed to both an increase in ARPU for Pay-TV residential subscribers of RM2.90 (from RM94.20 to RM97.10) and an increase in number of Pay-TV residential subscribers by 154,600 (from 3,315,800 to 3,470,400).

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 RM48.5m or 13.3% against corresponding quarter mainly due to the increase in revenue as highlighted above, and partly offset by higher installation costs, higher professional expenses, higher broadband costs and higher content costs.

**Radio**

Radio's revenue for the current quarter of RM53.3m was higher by RM4.1m compared with the corresponding quarter of RM49.2m. The higher revenue performance was driven by continuous strong listenership ratings attributed by the more youthful formats introduced.

Radio EBITDA for the current quarter of RM23.4m, increased by RM2.0m or 9.3% against corresponding quarter. This was mainly due to the increase in revenue as highlighted above, which was offset by higher marketing and market research expenses.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 (First Quarter FY15) against the preceding quarter (Fourth Quarter FY14):

	<i>All amounts in RM'm unless otherwise stated</i>			
	<u>Financial Highlights</u>		<u>Key Operating Indicators</u>	
	QUARTER	QUARTER	QUARTER	QUARTER
	ENDED	ENDED	ENDED	ENDED
	<u>30/4/2014</u>	<u>31/1/2014</u>	<u>30/4/2014</u>	<u>31/1/2014</u>
<b><u>Consolidated Performance</u></b>				
Total revenue	1,253.9	1,260.1		
EBITDA <sup>1</sup>	441.2	413.2		
EBITDA margin (%)	35.2	32.8		
Profit before tax	168.2	127.1		
Net profit	128.9	111.9		
Net increase/(decrease) in cash	188.4	(366.8)		
<b><u>(i) Television</u></b>				
Subscription revenue	1,053.7	1,031.8		
Advertising revenue	69.0	89.2		
Other revenue	74.0	66.4		
Total revenue	1,196.7	1,187.4		
EBITDA	413.4	345.7		
EBITDA margin (%)	34.5	29.1		
Profit before tax	144.7	62.1		
Total residential subscribers-end of period ('000)			3,996.0	3,884.2
Pay-TV residential subscribers-end of period <sup>2</sup> ('000)			3,470.4	3,442.3
Pay-TV residential subscribers-net additions ('000)			28.1	40.4
Non-subscription customers-end of period ('000)			525.6	441.9
Non-subscription customers-net additions ('000)			83.7	60.1
Pay-TV residential ARPU <sup>3</sup> (RM)			97.1	96.0
MAT Churn <sup>4</sup> (%)			9.9	9.9

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 (First Quarter FY15) against the preceding quarter (Fourth Quarter FY14) (continued):

*All amounts in RM'm unless otherwise stated*

<b>Financial Highlights</b>		<b>Key Operating Indicators</b>	
QUARTER ENDED 30/4/2014	QUARTER ENDED 31/1/2014	QUARTER ENDED 30/4/2014	QUARTER ENDED 31/1/2014

**(ii) Radio**

Revenue	53.3	68.3		
EBITDA <sup>1</sup>	23.4	39.5		
EBITDA margin (%)	43.9	57.8		
Profit before tax	22.3	38.6		
Listeners ('000) <sup>5</sup>			12,645	12,193
Share of Radex <sup>6</sup> (%)			59.1	54.4

**Notes:**

- 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.
- Included in the Pay-TV residential subscribers-end of period ('000) number of 3,470.4m were 116,600 (Quarter 4 FY14: 77,800) 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.
- 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.
- 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.
- Based on the Radio Listenership Survey by Nielsen dated 4 June 2014 (Quarter 4 FY14: 28 October 2013).
- Based on Advertising expenses (“Adex”) from Nielsen Media Report dated 15 May 2014 (Quarter 4 FY14: 14 February 2014). Radex is radio advertising expenditure.



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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 (First Quarter FY15) against the preceding quarter (Fourth Quarter FY14) (continued):

**Consolidated Performance**

**Revenue**

Revenue for the current quarter of RM1,253.9m was lower by RM6.2m or 0.5% against preceding quarter of RM1,260.1m. This was mainly due to a decrease in advertising revenue of RM35.2m, which was offset by an increase in subscription and other revenue of RM21.9m and RM7.1m respectively.

The decrease in advertising revenue was due to the lower advertising demand as compared to preceding quarter which had year-end festival and events.

The increase in subscription revenue was due to higher ARPU for Pay-TV residential subscribers of RM1.10 (from RM96.00 to RM97.10) and higher Pay-TV residential subscribers by 28,100 (from 3,442,300 to 3,470,400).

**EBITDA margin**

EBITDA margin increased by 2.4% against the preceding quarter mainly due to disciplined cost management. The cost management initiatives resulted in lower content costs, marketing and market research cost and staff related costs as a percentage of revenue.

**Net Profit**

Net profit increased by RM17.0m or 15.2% to RM128.9m during the quarter. The increase was mainly due to an increase in EBITDA of RM28.0m and lower net finance costs of RM18.6m. The increase was offset by higher depreciation of set-top boxes of RM3.4m and higher tax expenses of RM24.1m.

**Cash Flow**

Increase in cash of RM188.4m as compared with preceding quarter was mainly due to higher operating cash flows of RM425.6m and sales of unit trusts of RM170.0m. This was offset by acquisition of property, plant and equipment and intangibles of RM130.0m, payment for set-top boxes of RM135.5m, acquisition of subsidiary of RM11.3m, payment of interest of RM25.8m and dividend payment of RM104.0m.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 (First Quarter FY15) against the preceding quarter (Fourth Quarter FY14) (continued):

**Television**

Television registered an increase in total revenue in the current quarter of RM9.3m or 0.8%, which was attributable by the increase in subscription and other revenue of RM21.9m and RM7.6m respectively. The increase was offset by a decrease in advertising revenue of RM20.2m.

The increase in subscription revenue was due to higher ARPU for Pay-TV residential subscribers of RM1.10 (from RM96.00 to RM97.10) and higher Pay-TV residential subscribers by 28,100 (from 3,442,300 to 3,470,400). The decrease in advertising revenue was due to lower advertising demand as compared to preceding quarter which had year-end festival and events.

EBITDA increased by RM67.7m or 19.6% against the preceding quarter mainly due to the decrease in content costs and marketing and market research costs and higher revenue, as highlighted above.

**Radio**

Radio's revenue for the current quarter of RM53.3m was lower by RM15.0m or 22.0% compared with the preceding quarter of RM68.3m. The higher revenue performance in the preceding quarter was driven by favourable market environment as well as year-end related festivals and events.

The lower revenue and higher marketing and market research expenses contributed to a lower EBITDA of RM23.4m, a decrease of RM16.1m or 40.8% compared with the preceding quarter.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 focus on the execution of its key strategy of growing revenues by providing differentiated content, a diverse range of value added products and services, and an engaging customer experience. This is improving our relevance to advertisers.

To provide the best of content for our customers, in the year 2014, the Group has scheduled a line-up of key sporting events which attract a good following amongst our subscribers including the Brazil World Cup and BPL. 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 strong TV viewership and radio listenership gives us greater reach and relevance to advertisers and is underpinning our adex growth. Combined with the integrated media offering across TV, Radio and Digital media, the Group expects its comprehensive marketing solutions to continue to generate additional Adex growth.

The M3B satellite launch has been delayed to later in the year. As such, the Group will defer the launch of additional channels until new transponder capacity becomes available. However, the Group does not currently anticipate any material impact on the financial performance for the current financial year.

We remain active managers of all our cost lines, with disciplined monitoring of our key cost drivers. The Group has 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 remain 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 2014.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>QUARTER</u>	<u>QUARTER</u>	<u>PERIOD</u>	<u>PERIOD</u>
	<u>ENDED</u>	<u>ENDED</u>	<u>ENDED</u>	<u>ENDED</u>
	<u>30/4/2014</u>	<u>30/4/2013</u>	<u>30/4/2014</u>	<u>30/4/2013</u>
	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>
Amortisation of intangible assets	115.6	102.3	115.6	102.3
Depreciation of property, plant and Equipment	194.3	162.2	194.3	162.2
Impairment of receivables	17.3	18.0	17.3	18.0
Finance income:				
- Interest income	10.7	12.1	10.7	12.1
- Unit trust	3.6	-	3.6	-
- Unrealised foreign exchange gain	21.6	25.2	21.6	25.2
- Fair value loss on derivative recycled to income statement arising from foreign exchange risk	(16.9)	(12.4)	(16.9)	(12.4)
	19.0	24.9	19.0	24.9
Finance costs:				
- Bank borrowings	25.1	26.5	25.1	26.5
- Finance lease liabilities	12.1	12.8	12.1	12.8
- Vendor financing	12.6	7.5	12.6	7.5
- Realised foreign exchange losses	-	3.1	-	3.1
- Fair value loss on derivative recycled to income statement arising from interest rate risk	10.4	7.6	10.4	7.6
- Others	3.6	2.5	3.6	2.5
	<u>63.8</u>	<u>60.0</u>	<u>63.8</u>	<u>60.0</u>

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**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>QUARTER</u>	<u>QUARTER</u>	<u>PERIOD</u>	<u>PERIOD</u>
	<u>ENDED</u>	<u>ENDED</u>	<u>ENDED</u>	<u>ENDED</u>
	<u>30/4/2014</u>	<u>30/4/2013</u>	<u>30/4/2014</u>	<u>30/4/2013</u>
	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>
Current tax	48.8	52.0	48.8	52.0
Deferred tax	(9.5)	(8.0)	(9.5)	(8.0)
	<u>39.3</u>	<u>44.0</u>	<u>39.3</u>	<u>44.0</u>

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>QUARTER ENDED 30/4/2014</u>	<u>QUARTER ENDED 30/4/2013</u>	<u>PERIOD ENDED 30/4/2014</u>	<u>PERIOD ENDED 30/4/2013</u>
	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>	<u>RM'm</u>
Profit before taxation	168.2	157.8	168.2	157.8
Tax at Malaysian corporate tax rate of 25%	42.1	39.5	42.1	39.5
Tax effect of:				
Unrecognised deferred tax asset	0.3	0.6	0.3	0.6
Others (including expenses not deductible for tax purposes and income not subject to tax)	(3.1)	3.9	(3.1)	3.9
Taxation charge	<u>39.3</u>	<u>44.0</u>	<u>39.3</u>	<u>44.0</u>

**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 18 June 2014, the gross proceeds of RM1,422.9m from the Public Issue were utilised in the following manner:

	<u>Proposed Utilisation Amount</u>	<u>Actual Utilisation Amount</u>	<u>Intended Timeframe for</u>	<u>Balance</u>	
	<u>RM'm</u>	<u>RM'm</u>		<u>RM'm</u>	<u>%</u>
Repayment of bank borrowings	500.0	500.0	Within 12 months	-	-
Capital expenditure	750.0	592.2	Within 36 months	157.8	21
Working capital	112.9	62.7	Within 24 months	50.2	44
Estimated fees and expenses for the IPO and listing	<u>60.0</u>	<u>48.8</u>	Within 3 months	<u>11.2*</u>	<u>19</u>
	<u>1,422.9</u>	<u>1,203.7</u>		<u>219.2</u>	<u>15</u>

\* 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

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 30 April 2014 are as follows:

	<u>Current</u> RM'm	<u>Non-current</u> RM'm	<u>Total</u> RM'm
<b>Unsecured:</b>			
Term loans			
- RM Term Loan	167.2	1,800.0	1,967.2
- USD Term Loan – USD330 million	86.6	971.2	1,057.8
	<u>253.8</u>	<u>2,771.2</u>	<u>3,025.0</u>
Less: Debt issuance costs	(7.6)	(26.2)	(33.8)
Term loans, net of debt issuance costs	<u>246.2</u>	<u>2,745.0</u>	<u>2,991.2</u>
Finance lease			
- Lease of transponders <sup>(a)</sup>	64.7	579.9	644.6
- Lease of equipment and software <sup>(b)</sup>	6.3	9.0	15.3
	<u>71.0</u>	<u>588.9</u>	<u>659.9</u>
	<u>317.2</u>	<u>3,333.9</u>	<u>3,651.1</u>

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

	<u>Total</u> RM'm
Ringgit Malaysia	2,601.5
United States Dollars (“USD”)	1,049.6
	<u>3,651.1</u>

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.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**21 DERIVATIVE FINANCIAL INSTRUMENTS**

**(a) Disclosure of derivatives**

Details of derivative financial instruments outstanding as at 30 April 2014 are set out below:

Types of derivatives	Contract/ Notional Amount RM'm	Fair Value Assets RM'm	Fair Value Liabilities RM'm
Forward foreign currency exchange contracts ("FX Contracts")			
- Less than 1 year	990.8	7.8	(7.7)
- 1 to 3 years	-	-	-
- More than 3 years	-	-	-
	990.8	7.8	(7.7)
Interest rate swaps ("IRS")			
- Less than 1 year	164.3	-	(3.5)
- 1 to 3 years	949.5	0.2	(3.0)
- More than 3 years	1,012.5	-	(6.9)
	2,126.3	0.2	(13.4)
Cross-currency interest rate swaps ("CCIRS")			
- Less than 1 year	80.9	6.9	(10.6)
- 1 to 3 years	358.3	21.2	(0.5)
- More than 3 years	728.4	62.5	-
	1,167.6	90.6	(11.1)

There have been no changes since the end of the previous financial year ended 31 January 2014 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.

**(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.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**21 DERIVATIVE FINANCIAL INSTRUMENTS (continued)**

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

As at 30 April 2014, the Group recognised net total derivative financial assets of RM66.4m, a decrease of RM50.2m from the previous financial year ended 31 January 2014, on re-measuring the fair values of the derivative financial instruments. The corresponding increase has been included in equity in the hedging reserve. For the current year, RM13.9m of the hedging reserve was transferred to the income statement to offset the unrealised gain of RM13.9m which resulted from the strengthening of RM against USD. This resulted in an increase on the debit balance in the hedging reserve as at 30 April 2014 by RM29.8m to RM2.0m compared with the financial year ended 31 January 2014.

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 30 April 2014 were RM990.8m (31 January 2014: RM960.8m).

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 2014: RM1,462.5m) and vendor financing, as disclosed in Note 22 with notional principal amounts of RM408.9m and USD78.0m (31 January 2014: RM97.7m and USD59.9m).

The interest rate swaps for bank loan were entered up to 10 years with an average fixed swap rate of 4.15% (31 January 2014: 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 3.67% (31 January 2014: 3.61%) and 0.45% (31 January 2014: 0.45%) respectively.

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 (31 January 2014: USD321.8m) for bank loan and USD35.3m (31 January 2014: USD17.7m) 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 2014: 4.19% (inclusive of interest margin of 1%)) and USD/RM3.0189 (31 January 2014: 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 4.25% (inclusive of interest margin of 1.0%) (31 January 2014: 4.28% (inclusive of interest margin of 1.1%)) and USD/RM3.2630 (31 January 2014: USD/RM3.2657).



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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 2014: 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 period ranged between 1.5% and 4.5% (31 January 2014: 1.2% and 4.7%) per annum.

As at 30 April 2014, the vendor financing included in payables is RM1,305.4m (31 January 2014: RM1,360.8m), comprising current portion of RM156.3m (31 January 2014: RM111.7m) and non-current portion of RM1,149.1m (31 January 2014: RM1,249.2m).

**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:

<u>Group</u>	<u>As at 30/4/2014 RM'm</u>	<u>As at 31/1/2014 RM'm</u>
Total (accumulated losses)/retained profits of the Company and its subsidiaries:		
- Realised	(210.1)	(215.6)
- Unrealised <sup>N1</sup>	36.0	32.8
	<u>(174.1)</u>	<u>(182.8)</u>
Total retained profits from associates and joint ventures:		
- Realised	14.9	14.1
- Unrealised	-	-
	<u>(159.2)</u>	<u>(168.7)</u>
Less: Consolidation adjustments	<u>(466.6)</u>	<u>(478.3)</u>
Total accumulated losses as per consolidated balance sheets	<u>(625.8)</u>	<u>(647.0)</u>

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.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**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:

<u>Company</u>	<u>As at 30/4/2014</u> RM'm	<u>As at 31/1/2014</u> RM'm
Total retained profits of the Company:		
- Realised	193.4	302.2
- Unrealised	-	-
	<u>193.4</u>	<u>302.2</u>

**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) Civil Suit in Indonesia by PTDV

With regard to PTDV's claim on the alleged unlawful act or tort for immaterial losses of USD20 billion against MBNS and other defendants, the South Jakarta District Court ("SJDC") had on 5 June 2014 dismissed the claim filed by PT Direct Vision.

After an examination of the evidence presented to the court, the SJDC ruled that the claim originated from the Subscription and Shareholders Agreement dated 11 March 2005 ("SSA") which contained an arbitration clause for dispute resolution. The SJDC ruled that the arbitration clause in the SSA was binding and applicable and thus the case must be determined by way of arbitration under the auspices of the Singapore International Arbitration Centre ("SIAC"). Based on the laws of Indonesia, the SJDC determined that it did not have the jurisdiction to hear the case and accordingly dismissed the claim. By way of background, this dispute has already been heard and finally determined by way of arbitration before the SIAC and several awards were made by the Arbitration Tribunal in favour of MBNS and the other Astro entities in 2009 and 2010 ("SIAC Awards"). These SIAC Awards have been registered in Malaysia.

(ii) 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 Plaintiffs had subsequently filed an application to the High Court for leave to appeal to the Court of Appeal against the unconditional stay of execution of the garnishee order absolute granted by the Hong Kong High Court to the Garnishee and PT First Media. This application has since been refused by the High Court. On 4 April 2014, the Claimants renewed this application for leave to appeal, this time before the Court of Appeal. The outcome of this application is currently pending.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

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

**25 DIVIDENDS**

- (a) The Board of Directors has declared a first interim single-tier dividend of 2.25 sen per ordinary share in respect of the financial year ending 31 January 2015 amounting to RM116,961,750, to be paid on 17 July 2014. The entitlement date for the dividend payment is 3 July 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 3 July 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.
- (b) As announced in the previous quarter, the Board of Directors proposed to recommend 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 amounting to RM51,983,000. The entitlement date for the final dividend has now been fixed on 4 July 2014 and will be paid on 18 July 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 4 July 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.
- (c) The total dividends paid and proposed for the financial period ended 30 April 2014 is 2.25 sen per share, based on 5,198,300,000 ordinary shares (30 April 2013: 2.0 sen per share, based on 5,198,300,000 ordinary shares).

**26 EARNINGS PER SHARE**

The calculation of basic earnings per ordinary share at 30 April 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 30 April 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.

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 APRIL 2014

**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 30 April 2014:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>QUARTER ENDED 30/4/2014</u>	<u>QUARTER ENDED 30/4/2013</u>	<u>PERIOD ENDED 30/4/2014</u>	<u>PERIOD ENDED 30/4/2013</u>
Profit attributable to the equity holders of the Company (RM'm)	<u>128.3</u>	<u>114.1</u>	<u>128.3</u>	<u>114.1</u>
<b>(i) Basic EPS</b>				
Weighted average number of issued ordinary shares ('m)	5,198.3	5,198.3	5,198.3	5,198.3
Basic earnings per share (RM)	<u>0.025</u>	<u>0.022</u>	<u>0.025</u>	<u>0.022</u>
<b>(ii) Diluted EPS</b>				
Weighted average number of issued Ordinary shares ('m)	5,198.3	5,198.3	5,198.3	5,198.3
Effect of dilution:				
Grant of share awards under the management share scheme ('m)	<u>10.1</u>	<u>3.4</u>	<u>9.7</u>	<u>3.4</u>
	<u>5,208.4</u>	<u>5,201.7</u>	<u>5,208.0</u>	<u>5,201.7</u>
Diluted earnings per share (RM)	<u>0.025</u>	<u>0.022</u>	<u>0.025</u>	<u>0.022</u>

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

**27 MATERIAL EVENTS SUBSEQUENT TO END OF THE FINANCIAL YEAR**

There were no material subsequent events during the period from the end of the quarter review to 18 June 2014.

**BY ORDER OF THE BOARD**

**LIEW WEI YEE SHARON**  
(License No. LS0007908)

Company Secretary  
18 June 2014