Making A Difference

ASTRO ALL ASIA NETWORKS plc

Annual Report 2009

ASTRO ALL ASIA NETWORKS plc (ASTRO) has been penetrating new markets across the world in recent years. In our main Malaysian market, our pay-TV business has been making in-roads into more rural and semi-urban areas from its largely urban customer base. Through its growing presence, Astro TV has opened up a whole new world of experiences to Malaysians from all walks of life. The cover of this year's annual report captures Astro TV's growing penetration of rural markets in the inimitable style of Malaysia's top cartoonist, Lat, or Datuk Mohd Nor Khalid.

ASTRO views the delivery of its products and services into the semi-urban, more rural markets as one way the Group is making life richer for its customers. ASTRO aims to not only be a source of entertainment, information and education but also a corporate citizen which grows with the nation by improving itself in areas such as corporate governance, employer-employee relationship, community development and environmental responsibility. It is through these efforts that ASTRO will continue to make a difference.

Sixth Annual General Meeting

Ballroom 1, Level 3, Kuala Lumpur Convention Centre

Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia

on Monday, 20 July 2009 at 2.30 pm.

inside

2 Performance at a Glance
4 Awards & Accolades
6 Calendar Highlights
8 Making Your Life Richer
12 Letter from the Chairman
14 Board of Directors
16 Board of Directors' Profiles
18 Group CEO's Review
22 Management Team
25 Business and Financial Review: ASTRO In Malaysia
37 Business and Financial Review: ASTRO Overseas
38 Risk Factors
40 Corporate Governance Statement
46 Audit Committee Report
48 Statement on Internal Control
50 Directors' Report and Audited Statutory Financial Statements
119 Additional Disclosures
130 Share Price Performance
130 Financial Calendar
131 Analysis of Shareholdings
137 Corporate Information
138 Notice of Annual General Meeting
141 Statement Accompanying Notice of Sixth Annual General Meeting
Form of Proxy
Regional Offices

Performance

The Group measures its operating and financial performance through a number of Key Performance Indicators (KPIs), which in turn, are cascaded down to the respective business units. The following is an extract of the KPIs that are tracked by senior management and provided to Board members on a regular basis.

	FY2005*	FY2006	FY2007	FY2008**	FY2009
TELEVISION					
Subscribers					
Residential subscribers ('000)	1,565.8	1,784.2	2,016.3	2,272.2	**2,646.1**
Gross Additions ('000)	408.9	444.8	398.3	472.0	**611.9**
Net Additions ('000)	282.7	218.4	232.1	255.9	**373.9**
TV HH Penetration (%)	30.4	33.9	36.5	40.0	**45.0**
2nd Box Subscription ('000)	61.0	80.2	101.3	120.8	**122.7**
2nd Box Penetration (%)	3.9	4.5	5.0	5.3	**4.6**
Churn (%)[1]	9.0	13.4	8.8	10.1	**9.7**
ARPU (RM)[2]	80	79	78	82	**82**
CAC Per Box (RM)	789.0	749.3	666.6	697.7	**704.1**
Content Cost Per Sub (RM)	26.8	25.5	25.5	29.5	**30.8**
Content Cost as % of Revenue	30.1	29.3	29.7	32.8	**34.5**
Advertising Expenditure					
Astro Share of TV Adex (%)	11.3	11.9	13.0	11.8	**11.3**
Astro Adex as % of Total Revenue (%)	6.9	6.4	7.1	6.4	**6.0**
Financial Summary					
Revenue	1,530.6	1,787.0	1,978.3	2,325.3	**2,657.4**
CAC[3]	336.9	384.3	273.9	353.3	**437.6**
EBITDA	395.4	389.2	552.5	604.8	**703.6**
EBITDA Margin (%)	25.8	21.8	27.9	26.0	**26.5**
Free Cash Flow	263.6	453.5	658.2	644.6	**472.7**
Return on Capital Employed (%)[4]	29.6	69.1	165.3	52.7	**53.7**
RADIO					
Listeners					
Total Listeners (million)[5]	9.0	11.2	10.9	10.6	**11.0**
Total Listener Share (%)	47.5	60.5	51.8	49.5	**51.2**
Advertising Expenditure					
Radio Industry Share (%)	3.8	4.0	4.3	4.4	**4.8**
AMP Share of Radio Adex (%)[6]	74.1	79.1	73.4	67.8	**64.4**
Total Fill Rates (%)	61.1	43.7	36.7	36.5	**41.8**
Financial Summary					
Revenue	124.3	143.3	151.0	169.0	**181.7**
EBITDA	55.0	60.4	67.0	71.1	**82.7**
EBITDA Margin (%)	44.2	42.1	44.4	42.1	**45.5**
Free Cash Flow	47.0	64.9	76.7	78.3	**80.1**
Return on Capital Employed (%)[4]	27.4	17.9	26.3	103.8	**70.6**

at a Glance

	FY2005*	FY2006	FY2007	FY2008**	FY2009
CONSOLIDATED					
Revenue[7]	1,716.3	2,012.5	2,224.3	2,601.7	**2,971.5**
Television	1,530.6	1,787.0	1,978.3	2,325.3	**2,657.4**
Radio	124.3	143.3	151.0	169.0	**181.7**
Library Licensing and Distribution	47.6	60.1	75.3	86.8	**82.4**
Television Programming	–	–	–	182.7	**233.7**
Others	120.6	260.1	313.4	405.6	**416.2**
Inter-segment	(106.8)	(238.0)	(293.7)	(567.7)	**(599.9)**
EBITDA[8]	369.1	352.3	527.5	556.5	**670.5**
Free Cash Flow[9]	179.7	300.0	353.9	(29.9)	**(166.4)**
Profit/(loss) After Tax and Minority Interest	145.5	228.6	160.4	(6.2)	**(529.2)**
Balance Sheet					
Net Cash	580.8	787.2	1,047.4	200.2	**–**
Cash	966.5	848.1	1,075.7	986.8	**1,058.1**
Debt	385.7	60.9	28.3	786.6	**1,531.0**
Total Assets	2,650.0	2,851.2	3,026.4	3,614.9	**3,874.1**
Shareholders' Equity	1,559.4	1,786.7	1,847.4	1,620.4	**799.5**
Per Share Data					
Earnings/(loss) Per Share (sen)	7.58	11.88	8.32	(0.32)	**(27.36)**
Dividend Per Share (sen)	2.5	5.0	7.0	10.0	**10.0**[10]
Net Assets Per Share (RM)	0.81	0.93	0.95	0.84	**0.41**
Key Financial Indicators					
Debt to Equity (times)	0.2	0.0	0.0	0.5	**1.9**
Return on Assets (%)[11]	5.5	8.0	5.3	(0.2)	**(13.7)**
Return on Equity (%)[12]	9.3	12.8	8.7	(0.4)	**(66.2)**
Return on Capital Employed (%)[4]	17.7	17.0	25.6	21.7	**30.0**
Dividend Yield (%)[13]	0.45	1.02	1.30	2.6	**4.7**

RM million unless specified otherwise

* Restated with Prior Year Adjustment relating to the adoption of IFRS 2 - Share-based Payment

** Restated according to new reportable segment

Notes:

1. Churn is the difference between total subscriber disconnections and total reconnections of previously disconnected subscribers, over the period in review.
2. Average Revenue Per User (ARPU) is the monthly average revenue per residential subscriber. ARPU is calculated by dividing monthly average revenue derived from active residential subscribers over the financial year with monthly average number of active residential subscribers during the financial year.
3. Customer acquisition cost (CAC) is the cost incurred in activating new subscribers for the period under review, in the multi-channel subscription television service, including sales and marketing related expenses and subsidised set-top box equipment costs.
4. EBITDA/(Total Assets – Current Liabilities)
5. Based on the Radio Listenership Survey by Nielsen Media Research in October 2004, 2005, 2006, 2007 and August 2008 respectively.
6. Based on Nielsen Media Research Adex Report in January 2005, 2006, 2007, 2008 and 2009 respectively.
7. The Group is organised into the following business segments:
   - Malaysian multi-channel television – provides multi-channel Direct-to-Home subscription television and related interactive television services in Malaysia.
   - Radio – provides radio broadcasting services.
   - Library Licensing and Distribution – the ownership of a library of Chinese filmed entertainment and the aggregation and distribution of the library and related content.
   - Television programming – the creation, aggregation and distribution of television programmes and content.
   - Others – magazine publishing business; interactive content business for the mobile telephony platform; Malaysian film production business; talent management; creation of animation content; ownership of buildings, Group's regional investments in media businesses and investment holding companies.
8. Earnings before interest, taxation, depreciation and amortisation (EBITDA) represents profit/(loss) before net finance costs, taxation, impairment and depreciation of property, plant and equipment, amortisation of intangible assets such as software (but excluding amortisation of film library and programme rights which are expensed as part of cost of sales), impairment of investments, share of post tax results from investments accounted for using the equity method, amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development.
9. Free cash flow represents the net cash flow arising from operating and investing activities of the Group.
10. The Directors recommend a final tax exempt dividend payment of 2.5 sen per share (Final Dividend) for the financial year ended 31 January 2009 subject to the approval of shareholders at the forthcoming Annual General Meeting. The tax exempt dividends will be paid on 25 August 2009 to depositors who are registered in the Record of Depositors at the close of business on 7 August 2009. Should the Final Dividend be approved, the total interim and final dividends approved in respect of the financial year ended 31 January 2009 would be 10.0 sen per share.
11. Profit After Tax and Minority Interest / Total Assets
12. Profit After Tax and Minority Interest / Shareholders' Equity
13. Annual dividend expressed as a percentage of the current share price. ASTRO share price as at 30 January 2009 was RM2.14.

Awards & Accolades

Anugerah Oskar PPFM 2008

Best Film Set Designer – Nazrul Ashraff Mahzan for *Kala Malam Bulan Mengambang*

Best Costume for Multi-Camera Production (MCP) – Nur Khaizaran Ahmad Zainy for *Aattam 100 Vagai Final*

Best Film Continuity – Muhammad Razif Abdul Rashid for *Kala Malam Bulan Mangambang*

Best Documentary Videography – Azman Mohd Kasim for *Kembara Palestin*

Best Audio for Telemovie – Kamarudin Jaafar for *Liang Lahad*

Best Audio for MCP – Mohd Fadhil Sam/Iskandar for *Akademi Fantasia-Konsert Minggu Ke 7*

Best Documentary Director – Zainal Rashid Ahmad for *Kembara Palestin*

Best Director for MCP – Hishamudin Sehan for *Konsert Akademi Fantasia 6*

Most Popular Female Villain – Raja Azura for *Takbir Suci 2*

Best Technical Producer for MCP – APSB Technical Team for *Akademi Fantasia-Konsert Final*

Best Producer for MCP – Adnan Awaluddin for *Gelanggang Raja Lawak Astro Musim Ke-2 (Akhir)*

Best Tearjerker Role – Fauziah Nawi for *Mencari Syurga*

Jury's Choice for Best Telemovie Director – Rashid Sibir for *Liang Lahad*

Special Jury Award – *Kala Malam Bulan Mengambang*

Anugerah Bintang Popular 2008

Most Popular Artiste in Malaysia – Nabil

Most Popular Male Artiste in Malaysia – Mawi

Most Popular New Artiste (Male) – Nabil

Most Popular New Artiste (Female) – Stacy

Most Popular Male Comedy Actor – Nabil

Most Popular Male TV Personality – Aznil Hj Nawawi

21st Malaysian Film Festival

Best Film – *Kala Malam Bulan Mengambang*

Best Director – Mamat Khalid for *Kala Malam Bulan Mengambang*

Best Actor – Rosyam Nor for *Kala Malam Bulan Mengambang*

Best Actress – Maya Karin for *Anak Halal*

Best Original Story – Osman Ali for *Anak Halal*

Best Art Direction – Nazrul Asraff Mahzan
for *Kala Malam Bulan Mengambang*

Best Costume – Nasirah Ramlan
for *Kala Malam Bulan Mengambang*

Anugerah Skrin 2008 Awards

Best Film – *Kala Malam Bulan Mengambang*, Tayangan Unggul

Best Director (Film) – Mamat Khalid
for *Kala Malam Bulan Mengambang*

Best Actor (Film) – Rosyam Nor
for *Kala Malam Bulan Mengambang*

Best Talkshow – *Macam-macam Aznil* – APSB Team

Malaysia Effie Awards 2008

Gold Award for "RM2 a Day" Campaign

Kancil Awards 2008

Bronze Awards (Radio Campaign – Chinese)
– Boy Friend/Mini Skirt/Singing Contest

Asian PROMAX & Broadcast Design Awards 2008

Silver Award, Best Movie Campaign – *Exiled*,
Celestial Movie Channel Ltd.

Gold Award, Best Movie Campaign – *Protégé*,
Celestial Movie Channel Ltd.

Anugerah Citra Wangsa Malaysia 2007 by Dewan Bahasa Dan Pustaka

Hadiah Galakan Keterampilan Berbahasa Televisyen
– Aznil Hj Nawawi for *Macam-macam Aznil*

Hadiah Galakan Filem Melayu – Osman Ali (Scriptwriter)
for *Puaka Tebing Biru*

New York Festivals International Television Broadcasting Awards 2009

Bronze World Medal – 'Ceria Birthday Bash'
Animation (Computer) Promo Spot

Finalist Award – 'Geng Bas Sekolah'
Entertainment Program Opener

Finalist Award – 'Aksi Murai' Animation (Non-Computer) Promo

Malaysia Canada Business Council Excellence Awards

Silver Award, Good Corporate Citizen for CSR Based Campaign

Longxi International Chinese Advertising Awards

Bronze Award, Radio Category for AMP's Commercial 'Antimos'

Times International Chinese Advertising Awards

Bronze Award, Radio Category for AMP's Commercial 'Empitness'

Calendar Highlights

February 2008

Bernama TV, a 24 hour news and current affairs channel makes its debut on Astro

May 2008

Astro CAM XUC channel begins broadcast on Ho Chi Minh Cable in Vietnam

Chinese-language Men's Uno magazine launches its first issue

April 2008

Celestial Pictures launches two movie channels, Celestial Movie Asia and Celestial Classic Movies on now TV, one of Hong Kong's largest IPTV platforms

June 2008

UEFA Euro 2008 ™ kicks off on Astro, with all 31 matches broadcast live via 4 interactive channels

August 2008

Astro brings the most comprehensive live coverage of the Beijing 2008 Olympics via 11 interactive channels

September 2008

Astro ARUNA channel is made available on Singapore Telecom's IPTV platform, MioTV

October 2008

Astro signs JV agreement with Saudi Telecommunication Company and Saudi Research and Marketing Group to provide digital content and services

November 2008

Astro launches Kampus Astro, its educational brand to provide all Malaysians with access to world class educational and informative content and experiences to inspire lifelong learning

December 2008

Australia Network, a 24 hour channel which showcases the best of Australian entertainment, sports, learning and current affairs is available on Astro

Tayangan Unggul releases *Histeria*, a horror film launched in Malaysia

January 2009

Tayangan Unggul releases *Maut*, a religious-themed film launched in Malaysia

Stacy of *Akademi Fantasia* fame launches her solo album

making your life

ASTRO recognises that the sustainability of our business goes hand-in-hand with employee well being, community development and environmental responsibility. As such, we are committed to driving business performance whilst at the same time developing a pool of talented and dedicated employees, and helping to elevate in a sustainable manner the condition of the communities and environment that we operate in.

We, at ASTRO, are in a strong position to make a positive impact on our many stakeholders, including the 2.6 million TV households in Malaysia that subscribe to our TV services, 11 million weekly listeners to our radio stations and an average of 1.3 million unique visitors to our 10 websites. This brings with it responsibility so we are careful to use this position of influence to make a difference to people's lives. We are committed to upholding exemplary standards of corporate governance, and are championing worthy causes for the benefit of our future generations.

DRIVING INNOVATIVE LEARNING

ASTRO's history of corporate responsibility stretches back to the onset of our operations. For the past four years, the ASTRO Scholarship Awards programme has been central to our corporate responsibility efforts, providing opportunities to deserving young Malaysians to pursue their tertiary education. Since 2006, ASTRO has disbursed a total of RM7 million to our 30 young scholars. Today, this core programme together with the ASTRO-4As scholarship programme for advertising industry practitioners, and the newly-launched Kampus Astro initiative, provides us with a variety of learning platforms from which we can effectively help create opportunities for our future generations.

The Kampus Astro programme launched in November 2008 aims to provide Malaysians with access to world class educational and informative content and experiences. Under the programme, we have committed to providing Astro decoders, TV sets and access to 12 international and local learning channels for over 10,000 primary and secondary schools nationwide. The Kampus Astro pilot programme, which prioritises schools in the more rural and remote areas of Sabah and Sarawak, kicked off in early 2009 and will be rolled out to the rest of the schools across Malaysia in due course. ASTRO is looking to invest in excess of RM30 million for this programme over the next three years.

richer

With activity-based learning being one of the pillars of the Kampus Astro initiative, we have arranged for on-the-ground events and community activities such as workshops and camps to take place during the school holidays. Kampus Astro will enable teachers and students to leverage on our content and technology to tap into the broader body of knowledge that exists beyond book-based learning. We are hopeful that our initiative will be the catalyst for balanced access to such knowledge across the nation and will ultimately help bridge the digital divide in Malaysia.

It is our hope that ASTRO will be a key element in assisting educators to help the younger generation expand their general knowledge, their understanding of the world in which we live and gain insights into the latest technological innovations. Through the Kampus Astro initiative, we believe that students will be more equipped to deal with global and local issues on completing their formal education and contribute positively to the development of the country and its communities.

We continue to augment our educational programme platform with support for the performing arts and technological innovation. Our support for the performing arts includes the KL Performing Arts Centre, the Sutra Dance Theatre, the Five Arts Centre & Dramalab, the Krishen Jit ASTRO Fund, the Astro Kirana Short Film Awards and the ASTRO-NIDA Short Courses Series.

On the technology innovation front, ASTRO is proud to lend its support to the Nextgen Contentpreneur Awards. This collaborative effort with the Malaysian Communications and Multimedia Commission and MSC Malaysia rewards deserving tertiary students who have produced excellent short content, documentaries, music videos, websites and animation.

making your life richer

Development of the communities in which our stakeholders learn, work and live is of great importance to us so we continue to support charitable programmes and numerous causes that we believe have similar goals.

HELPING ADVANCE COMMUNITIES

Development of the communities in which our stakeholders learn, work and live is of great importance to us so we continue to support charitable programmes and numerous causes that we believe have similar goals. This includes producing community and public service announcements (PSAs) and providing the platforms to disseminate these announcements to our viewers, listeners and readers.

In 2008, our TV platform ran an average of some 120 minutes of PSAs each day across available channels. On radio, we broadcast more than 7 hours a day of PSAs across the Group's nine radio brands. These PSAs highlight a variety of causes including the dangers of smoking, road safety, national unity, water and electricity conservation, as well as the importance of courtesy and the prevention and treatment of disease.

For the past four years, ASTRO's most popular local reality show *Akademi Fantasia* has also been giving back to the community in the form of cash donations. Throughout 2008 a portion of the total proceeds derived from Short Message Service (SMS) voting was donated to various community-based charities across the country.

In the spirit of volunteerism, we also mobilised our employees and their families and friends to participate in fund raising projects for many of these charities and causes. In August 2008, some 50 employees came together to take part in the Relay For Life 2008 event, a symbolic 16 hour walk to support the fight against cancer.

In December 2008, a team of radio announcers and employees convened on the scene of the tragic Bukit Antarabangsa landslide in Kuala Lumpur to lend their support. These announcers and all our radio stations dedicated an entire day to providing updates on the tragedy. They covered the traffic situation, highlighted alternative routes to take, and provided tips on how listeners could lend a hand.

The year also saw many of our radio announcers and employees coming together to co-organise a tree-planting campaign at a 4,500 hectare plantation in Sepang. The event resulted in a multitude of pledges to replant trees being made by the listeners to our radio stations.

BOOSTING ENVIRONMENTAL PROTECTION

Our commitment to the environment has been encapsulated in a three-year Environmental Strategic Plan (ESP) that is now in place. The plan incorporates an education and outreach strategy that aims to ensure that all ASTRO's stakeholders place an emphasis on the environment as a major component of their lives.

Within the workplace, the ESP sets out to reduce energy consumption, waste generation and water consumption by 10, 12 and 3 percent respectively by 2011. It also aims for a general reduction in CO_2 emissions, the exact amount of which will be determined upon the conclusion of an ongoing carbon footprint audit.

In the marketplace, ASTRO is taking steps to ensure that our selected pool of vendors and suppliers practice environmentally sustainable methodologies and that the negative environmental impact from the life-cycle of consumer products is reduced.

To boost the efficacy of the company's environmental campaigns, ASTRO's Occupational Safety, Health and Environmental Committee are currently working on setting new guidelines to be put in place for measuring and monitoring data in line with the ISO 14001 Environmental Management Procedure.

ENHANCING EMPLOYEE PROGRAMMES

We recognise that our employees are the company's ambassadors outside the workplace and we believe that all of them should be champions of charitable causes both inside and outside the office. To this end, we have developed a programme that aims to encourage employee volunteerism. By involving all ASTRO employees in community programmes, we hope to give them a greater sense of ownership, belonging and personal responsibility.

Our Human Capital Development Programmes aims to groom every employee to deliver high performance results. During the year, some 1,753 employees or 47 per cent of our staff participated in competency-based training, up 4 per cent from the year before.

Recognising the contribution of our employees to the company, an annual family carnival called Astro Fest is held on office grounds with various games, numerous food stalls and special performances to keep employees and their families entertained. The Astro Fest, which boasts attendance of some 10,000 people annually, is also a time when family members are allowed to enter limited areas of the All Asia Broadcast Centre to be given information on the general operations of the company.

Our employees are encouraged to keep themselves well informed and stay abreast of developments via e-mail news bursts as well as through an informative newsletter that is written and published monthly by a dedicated team of writers. Articles contributed by employees also earn pride of place in this newsletter, aptly named The Content.

As ASTRO continues to chart a course towards making a difference to our many stakeholders, we are setting in place the elements that will position us as a clear industry leader, especially in the way of best practices in corporate responsibility. Receiving a Special Mention for our corporate responsibility-related entry at the ACCA Malaysia Sustainability Awards (MeSRA) 2008 for our work in this field indicates we are making good progress.

Going forward, we will continue to grow our businesses while upholding our belief that people, community and environmental sustainability must remain an integral part of our journey to becoming a great company. We are confident that with the commitment of our employees and the support of all ASTRO's other stakeholders, we will achieve our goals.

Letter from the Chairman

Dear Shareholders

It is my privilege to present the Annual Report for the financial year ended 31 January 2009 for ASTRO ALL ASIA NETWORKS plc (ASTRO). I have deliberately commenced this report with a review of our community activities so as to convey the importance we attach to this aspect of our business.

We create and aggregate multimedia content for 116 TV channels and 8 FM terrestrial radio stations which we then deliver to some 2.6 million TV homes, some 11 million weekly radio listeners and an average of 1.3 million unique visitors to our 10 websites. Therefore, in the tradition of **"making your life richer"**, my colleagues at ASTRO are committed to actively promote and participate in the betterment of the communities we serve.

We consider talent development to be a key feature of our Corporate Responsibility objectives, and ASTRO has made significant investments to nurture and develop creative minds to achieve their full potential.

The Kampus Astro programme launched in November 2008 aims to provide Malaysians with access to world class educational and informative content and experiences. Under the programme which we expect will require an investment of RM30 million over the next three years, we have committed to providing Astro decoders, TV sets and access to 12 international and local learning channels for over 10,000 primary and secondary schools nationwide. A pilot programme, which prioritises schools in the more rural and remote areas of Sabah and Sarawak, kicked off in early 2009 and will subsequently be rolled out to the rest of the schools in Malaysia.

You will be aware that ASTRO initiated its Astro scholarship awards in 2006. Since then, 30 young scholars selected from amongst the families of our subscribers have been given the opportunity to pursue undergraduate and graduate programmes in the creative arts and in certain science courses at well-regarded universities globally. We plan to increase the number of scholars to at least 50 over the next three years at which time our annual spend on the Astro Scholarship programme will increase from RM3 million to approximately RM6 million. We are pleased with the performance of our students, and I am happy to report that some of these scholars provide Astro with specialist services for which they have gained expertise.

There are a number of other community activities which have been implemented during the year under our Corporate Responsibility initiatives, and these are described in other sections of this Report.

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During the year, consolidated revenue and earnings before interest, tax, depreciation and amortisation amounted to RM2.97 billion and RM671 million respectively. The financial performance of our Malaysian operations exceeded expectations for the financial year ended 31 January 2009. The pay-TV business achieved record high subscriber additions underpinned by our strategy focused on targeting new customers through the Group's continuing investment in local content. Gross subscriber additions in the year were at a new high of 612,000 resulting in 374,000 net new customers and ended the year with 2.6 million household subscribers. Churn remained within targeted levels at 9.7%. The radio operation delivered 8% revenue growth and maintained its position as a market leader by share of revenue and listenership.

During the year, we have taken some hard decisions to deal with our investment in a previously proposed venture in a local Indonesian pay-TV operator in Indonesia. The Group has been unable to reach an agreement with the Lippo Group to take up a 20% stake in PT Direct Vision (PTDV). Consequently, on 20 October 2008, the Group had no alternative but to terminate the supply of services and support to PTDV and is now seeking legal redress to resolve the situation. Group's results for the year reflect provisioning in the amount of RM687 million, and the total amount of provisions against the cost of this proposed Indonesian venture amounted to RM1.16 billion.

We continue to believe that investing selectively in overseas markets, can add value for shareholders. Two years ago, the Group sought your support for our entry into the Indian pay-TV market. I am pleased to report that Sun Direct TV in which we have a 20% equity interest is performing to expectations. Since its launch in December 2007, Sun Direct TV has quickly grown to be a strong national direct-to-home broadcaster as it benefited from the strong demand for digital pay-TV services and a favourable regulatory framework.

During the year, the Group entered into a shareholders' agreement to establish a joint venture with Saudi Telecommunication Company (STC), a leading telecommunications service provider in the Middle East, and Saudi Research Marketing Group, a leading publishing group in the Middle East, to aggregate and distribute digital content in formats, initially for STC's customers. The proposed joint venture allows us to extend and leverage off our existing business in Malaysia, to expand into the fast-growing Middle East and North African region. This investment will allow the Group to further develop its skills in multimedia and digital content, and to position itself as a provider of digital content and other services to mobile, broadband and IPTV platforms operated by telecommunication operators in other markets.

The Board is confident that the positive cash-flows generated by its Malaysian operations will be sustainable through this period of uncertainty. After taking into account the funding requirements for existing and new businesses, the Board has recommended a final tax-exempt dividend of 2.5 sen per share. Including the earlier tax-exempt first dividend of 2.5 sen, second dividend of 2.5 sen and third dividend of 2.5 sen, the total declared and proposed dividend for FY2009 is 10 sen per share, representing a payout ratio of 80% of the underlying earnings from our Malaysian businesses.

I would like to convey my appreciation to all our customers, the various governmental and regulatory bodies in the markets we operate in, business partners and our media colleagues and our staff for their guidance and support during the year. Last but not least, my utmost thanks to you, our shareholders and stakeholders, for your continuing support of ASTRO.

Dato' Haji Badri Haji Masri
Chairman
29 May 2009

Board of **Directors**

From Left:

Bernard Anthony Cragg

Chin Kwai Yoong

Ralph Marshall

Dato' Haji Badri Haji Masri

Dato' Mohamed Khadar Merican

Board of Directors' Profiles

Dato' Haji Badri Haji Masri

Chairman and Non-Executive Director

Malaysian, age 65, joined the Board in July 2003 and was appointed its Chairman in August 2003. He served in various government ministry posts up to 1996, including that of Director General of Tourist Development Corporation of Malaysia and Director of the Budget Management Division of the Ministry of Finance of Malaysia.

Dato' Haji Badri graduated with a BA in Malay Literature from the University of Malaya and an MA in Political Science from King's College University, London. He was awarded the Heinz Fellowship from the University of Pittsburgh.

He is a director of Asia Pacific Land Berhad (listed on the Bursa Securities). He has held various posts in the private sector including business development advisor of DFZ Capital Berhad (listed on the Bursa Securities), chairman/managing director of Pelikan International Corporation Berhad (listed on Bursa Securities) and chairman of SapuraCrest Petroleum Bhd (listed on the Bursa Securities).

He does not have any business arrangement with the Company in which he has a personal interest.

Ralph Marshall

Deputy Chairman/Group Chief Executive Officer

Malaysian, age 57, joined the Board in July 2003. He was appointed its Deputy Chairman and Group Chief Executive Officer in August and September 2003 respectively and on 1 February 2007, assumed the position of Deputy Chairman. He re-assumed the additional responsibilities of Group Chief Executive Officer in April 2008.

He is an Associate of the Institute of Chartered Accountants in England and Wales, and a Member of the Malaysian Institute of Certified Public Accountants and has more than 30 years experience in financial and general management.

He is an executive director of Usaha Tegas Sdn Bhd ("UT") and serves on the boards of several other companies in which UT has significant interests viz. Tanjong Public Limited Company ("Tanjong") (listed on the Bursa Securities and also on the London Stock Exchange plc) of which he is also the Executive Director, Overseas Union Enterprise Limited (listed on the Singapore Exchange Securities Trading Limited), Johnston Press plc (listed on the London Stock Exchange plc), Arnhold Holdings Limited (listed on The Stock Exchange of Hong Kong Limited), Maxis Communications Berhad and Powertek Berhad, a wholly-owned subsidiary of Tanjong.

He is also a director in an independent non-executive capacity in KLCC Property Holdings Berhad and in a non-independent non-executive capacity in MEASAT Global Berhad, both listed on the Bursa Securities.

He does not have any business arrangement with the Company in which he has a personal interest.

Board of Directors' Profiles

Dato' Mohamed Khadar Merican

Non-Executive Director/Independent Director

Malaysian, age 53, joined the Board in August 2003. He is also the Chairman of RHB Capital Berhad and a director of AirAsia Berhad, both listed on the Bursa Securities. He also sits on the board of directors of several other companies within the RHB group, as well as other private companies.

Dato' Mohamed Khadar has over 25 years' experience in financial and general management. He is a Member of both the Institute of Chartered Accountants in England and Wales and the Malaysian Institute of Accountants.

He had served as an auditor and a consultant in an international accounting firm before joining a financial services group in 1986. Dato' Mohamed Khadar had held various senior management positions in Tradewinds Corporation Bhd (listed on the Bursa Securities) between 1988 and 2003, including as president and chief operating officer.

He does not have any conflict of interest with the Company.

Bernard Anthony Cragg

Non-Executive Director/Independent Director

British, age 54, joined the Board in September 2003. He is also a director of Workspace Group plc and Mothercare plc, both listed on the London Stock Exchange plc.

Bernard is a Chartered Accountant by profession and had spent over 8 years in Price Waterhouse. He has a degree in Mathematics from Liverpool University.

He formerly held various senior management positions in Carlton Communication plc (listed on the London Stock Exchange plc) for over 17 years including as its Group Financial Controller, Company Secretary and Group Finance Director. Bernard has previously served as chairman of Datamonitor plc and i-mate plc (both listed on the London Stock Exchange plc) as well as a director of Arcadia Group plc and Bristol and West Plc, a part of the Bank of Ireland (UK) Financial Services.

He does not have any conflict of interest with the Company.

Chin Kwai Yoong

Non-Executive Director/Independent Director

Malaysian, age 60, joined the Board in March 2006. He was an audit partner with PricewaterhouseCoopers from 1982 until his retirement in 2003. During his tenure as partner, he was executive director in charge of the Consumer & Industrial Products & Services Group. He also served as director of the Audit and Business Advisory Services Division, and of the Management Consulting Services Division.

Kwai Yoong is a Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Certified Public Accountants as well as the Malaysian Institute of Accountants.

He has extensive experience in the audits of major companies in the banking, oil & gas and automobile industries as well as in the heavy equipment, manufacturing, construction and property development sectors. He was also involved in corporate advisory services covering investigations, mergers & acquisitions and share valuations.

He is a Director of Deleum Berhad and Genting Berhad, both listed on the Bursa Securities, and of Rangkaian Pengangkutan Integrasi Deras Sdn Bhd (RAPID KL).

He does not have any conflict of interest with the Company.

Notes:

1. *None of the Directors have any family relationship with any directors and/or major shareholders of the Company.*
2. *None of the Directors have had any convictions for offences within the past 10 years.*
3. *None of the Directors have had any sanction and/or penalties imposed on them by any regulatory bodies during the financial year ended 31 January 2009.*

Group CEO's

The encouraging and very satisfactory performance of the Malaysian TV and radio businesses lifted Group revenue to RM2.97 billion, up 14% from the previous year. Group earnings before interest, tax, depreciation and amortisation (EBITDA), rose 20% to RM671 million from RM557 million a year earlier.

Review

During the year, we made significant progress in executing against our key strategic objectives which were:

- To expand our direct-to-home TV and radio operations in Malaysia;
- To strengthen our position as a leading producer of appealing television content for our customers;
- To leverage on our skills and expertise in multimedia content and distribution, to be the preferred partner to media companies in the region;
- To actively promote the development of talent and knowledge within the communities we serve; and
- To continue to grow shareholder value.

MALAYSIAN OPERATIONS

During the financial year, the core Malaysian operations continued to record very satisfactory and encouraging results as the pay-TV business achieved a new peak in subscriber additions and the radio operations delivered 8% revenue growth despite competitive market conditions and challenging economic circumstances affecting the industry. Our commitment to local content and the localisation of foreign content was reaffirmed by our investment of almost RM300 million, up 24% from a year earlier. We produced 5,600 hours of fresh and unique programming of various genres for Astro TV, and are extremely pleased that these efforts have made a significant contribution to the growth of our Malay speaking customer base.

Astro TV has made significant investments and commitments to ensure its customers were and will continue to be availed of the most comprehensive coverage of all popular global sporting events. These included the live coverage of some 300 football matches of the 2008/2009 English Premier League and 3,000 hours of the 2008 Beijing Olympic Games. We are currently in discussions with the Olympic Council of Malaysia to establish Astro ARENA, a sports channel dedicated to the broadcast of events organised by the various Malaysian sports bodies. It is estimated that the development cost for this channel, over the next three years, will be RM200 million and includes amounts set aside to create new formats and to provide specialist training and education to promote and encourage excellence amongst Malaysian sporting talent.

Details of the operating and financial performance of the various operating units of the Group can be found in their respective segments of this Report.

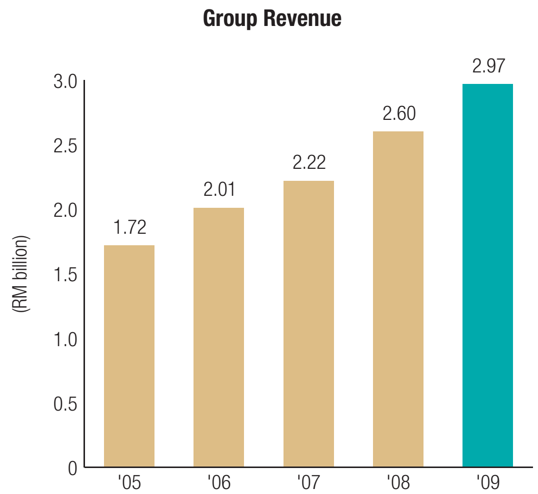
OVERSEAS INVESTMENTS

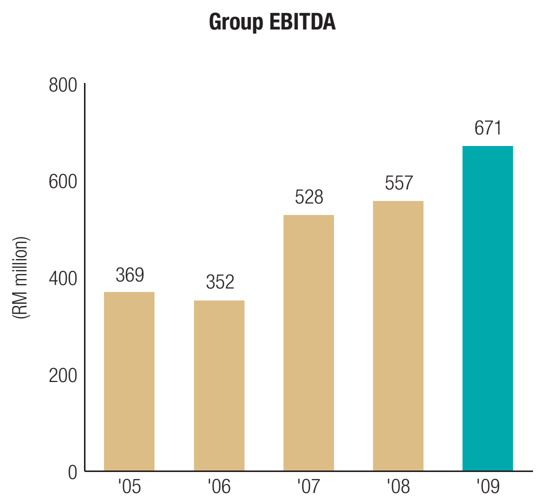
During the year, the Group took significant steps to address the unsatisfactory circumstances relating to our proposed take-up of a 20% equity stake in local Indonesian pay-TV operator PT Direct Vision (PTDV). On 20 October 2008, the supply of all support and services to PTDV was terminated. A trademark licence agreement extended by ASTRO's subsidiary, MEASAT Broadcast Network Systems, allowing PTDV to use the "Astro" brand name was also allowed to expire. The Group has now made provision for all costs and expenses associated with the Indonesian venture, including expenses incurred since inception, and costs arising from the termination of services and support to PTDV, totalling RM1.16 billion up until the FY2009. Of this amount, RM687 million was accounted for during the year just ended.

The Group is pursuing all legal means to resolve the situation that has arisen as a result of non-completion of the previously intended Indonesian venture. Arbitration proceedings at the Singapore International Arbitration Centre commenced in October 2008 to seek certain declaratory and injunctive relief and also monetary compensation in relation to the parties' failure to conclude the joint venture. On 12 May 2009, the arbitral tribunal ruled in favour of the Group, ordering an immediate discontinuation of a civil suit at the South Jakarta District Court against ASTRO, two of its subsidiaries and myself. The tribunal also ordered that no further legal proceedings be brought against these parties in relation to the proposed Indonesian venture until further order. Meanwhile, proceedings at the South Jakarta District Court have not been discontinued as of today, but the Group has taken steps to notify the court of the tribunal's ruling so that the civil suit is withdrawn. The Group will account for costs associated with these legal proceedings as they are incurred.

We continue to believe that shareholder value can be created by selective investment in regional markets where our expertise, internally developed skills and know-how allows us to add value as a preferred strategic partner. In particular the large, but still underdeveloped entertainment and media markets in China, India, South East Asia and the Middle East are likely to continue to provide opportunities to expand our regional footprint by investing in strategic operating assets, promoting our brands and products, or to amortize content production costs in new markets.

Group CEO's Review





We also believe that the growth in digital distribution platforms, such as mobile, broadband and IPTV networks, will dramatically increase demand for content and that this provides the Group with an opportunity to invest in multimedia content for global distribution, and to work with partners to aggregate and localize content in markets where we can leverage our expertise in acquiring, localizing and distributing content across traditional and new delivery platforms.

Driven by strong demand for high-quality pay-TV services, Sun Direct TV, the Group's DTH joint venture in India, grew its subscriber base to 2.5 million subscribers in just over a year following its launch in December 2007. Leveraging off the success of its services in southern India, Sun Direct TV is now distributed nationwide with an offering of over 170 television channels.

To date, the Group has invested INR6,098 million (RM453.4 million) in Sun Direct TV. Consistent with the Group's accounting policies, the Group expects to account for its attributable 20% share of Sun Direct TV's losses of up to approximately INR7,110 million (RM529 million). During the year, the Group has accounted for INR807 million (RM60 million) of losses in respect of its investment in Sun Direct TV.

The Group has acquired a 6.98% interest in South Asia FM Ltd. (SAFL) which is licensed to own and operate 23 FM radio stations in India. As at January 2009, SAFL has rolled out 21 FM radio stations. SAFL also owns a minority interest in the very popular "Red FM" branded stations in Mumbai, Delhi and Kolkata.

Consistent with the Group's intention to invest in complementary markets where its experience in creating and aggregating multimedia content can be utilised, the Group made its first investment in the Middle East and North African region (MENA). In October 2008, Astro Overseas Limited, a subsidiary of ASTRO, entered into a joint venture with Saudi Telecommunication Company (STC) and Saudi Research Marketing Group to provide digital content and services in formats for STC's digital platforms including IPTV, broadband and mobile platforms. ASTRO is investing USD16 million (RM57.6 million) for a 29% equity stake in the venture and will have responsibility for its management. As at 29 May 2009, the proposed joint venture is subject to and pending fulfillment of conditions precedent.

In China, there is increasing demand for information and entertainment products and services consistent with the growth of its middle class. Whilst there are constraints to developing a presence in the Chinese media industry, there are opportunities for the Group to share its expertise and to be considered as a preferred strategic partner. We established Adrep China Advertising Services Ltd (Adrep), as a wholly owned subsidiary. Adrep has been granted a 20-year business licence by the China State Administration of Industry and Commerce to undertake advertising representation and commercial production for radio, TV and online platforms in China. Adrep is actively seeking opportunities to leverage expertise and know-how from within the wider ASTRO family to exploit its skills in aggregating and distributing multimedia content. Adrep has entered into contracts with Nanjing Radio Group and Jiangxi Provincial Radio Group to market and sell advertising airtime of their music stations under the proprietary brand "MY FM Radio Sales Network" owned by Adrep.

Celestial Pictures, a subsidiary which owns the Shaw Brothers Film Library, continued to collaborate with China based media groups to distribute its library in China and to produce content. WaTV, a TV channel with contemporary Chinese language content produced in China and distributed by Celestial Pictures, has agreements with Jiangsu Media Group, a leading media company in China, to co-produce TV programmes of different genres to be exploited in China and overseas markets. Celestial Pictures is also a key provider of content for Beijing Netmovie Co. Ltd., China's largest digital entertainment content aggregator.

GROUP FINANCIAL PERFORMANCE

The encouraging and very satisfactory performance of the Malaysian TV and radio businesses lifted Group revenue to RM2.97 billion, up 14% from the previous year. Group earnings before interest, tax, depreciation and amortisation (EBITDA), rose 20% to RM671 million from RM557 million a year earlier, before taking account of the costs incurred in terminating support and services to the previously proposed TV venture in Indonesia. Consolidated EBITDA margin was higher at 23% against 21% in the previous year.

However, the Group recorded a loss after tax and minority interest of RM529 million for the year after accounting for the costs associated with the termination of services in Indonesia and anticipated start-up losses in certain other investments.

The Group continued to focus on growing cash flows and maintaining adequate cash resources so as to preserve the strength of its balance sheet. As at 31 January 2009, the Group held RM1.1 billion of cash or cash equivalents. However, Group borrowings rose to RM1.5 billion from RM787 million a year ago following an anticipated drawdown of USD186.1 million or RM690.1 million from the Group's committed debt facilities, primarily to cover the cost of the investments in India. Available facilities of USD101 million, cash at hand and prospective cash flows from existing businesses provide the Group with sufficient funds for all currently anticipated needs. We have to-date hedged USD101 million of floating interest rate exposure under the Group's syndicated term and revolving credit facility secured in March 2008, which effectively fixed our average cost of borrowings (excluding margin) at 3.8% for the duration of the facility expiring in March 2013. We continue to adopt a proactive approach to treasury risk management.

Capital expenditure during the year of RM186 million was largely utilised to upgrade our information technology infrastructure and application systems, including Astro TV smart cards and the Customer Relationship Management (CRM) and Billing system.

The Group's effective tax rate was also higher as compared to the Malaysia statutory tax rate due to losses in foreign subsidiaries, associates and overseas investments, and the results of certain Malaysian subsidiaries that were not available for set-off in computing tax payable by the Group.

PROSPECTS

The Group has already implemented measures aimed at ensuring that its products and services remain relevant, competitive and provide value for money. Our investment in programming and channels is yielding results for Astro TV and other overseas markets. We are committed to extending the value of our TV and radio programmes by developing opportunities to create and distribute associated digital content, particularly in music and sports.

We are very sensitive to the increasing cost of programming and we have taken measures to actively manage costs and to grow margins. At the same time, we remain committed to our strategy of investing for growth.

We believe that our efforts, supported by our strong balance sheet and our ability to generate steady cash-flows, will help the Group ride out the current challenging market conditions and continue to enhance shareholder value.

We look to the future with confidence in our ability to continue to build on our strengths.

Ralph Marshall
Group Chief Executive Officer

The Group has already implemented measures aimed at ensuring that its products and services remain relevant, competitive and provide value for money. We believe that our efforts, supported by our strong balance sheet and our ability to generate steady cash-flows, will help the Group ride out the current challenging market conditions and continue to enhance shareholder value.

Management Team

Rohana Rozhan
Chief Executive Officer - MBNS*

Zainir Aminullah
Executive Director - AESB**

Raghvendra Madhav
Executive Director - India

Grant Ferguson
Chief Financial Officer - ASTRO

Dato' Borhanuddin Osman
Executive Director - AMP***

Lakshmi Nadarajah
General Counsel - ASTRO

Tengku Dato' Anuar Mussaddad Tengku Mohammad
Executive Director
- Malay Filmed Entertainment

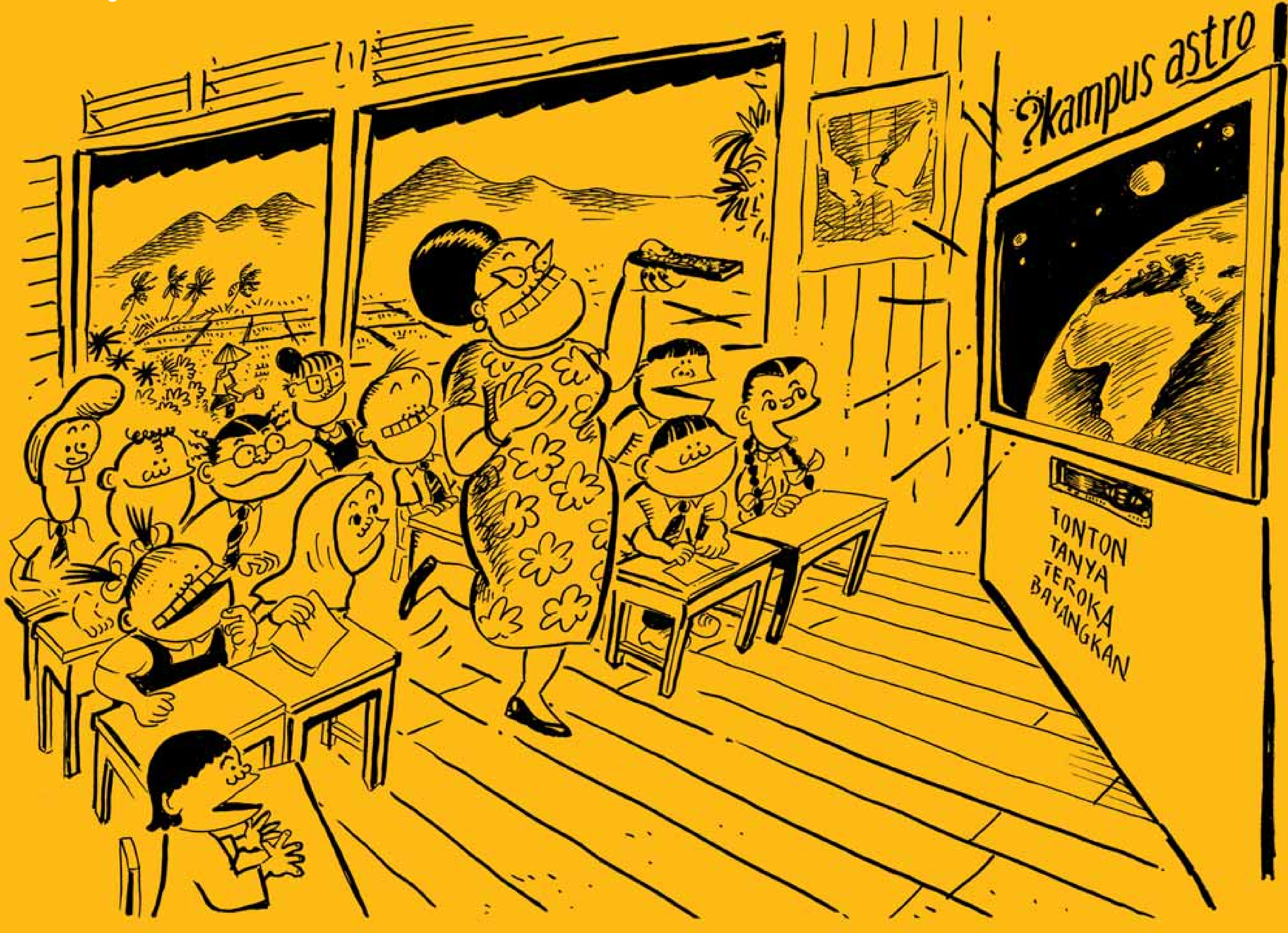
Graham Charles Stephens
Chief Technology Officer - ASTRO

Ken Wang
Executive Director - China

Louis Foo
General Manager
- MEASAT Publications

* MEASAT Broadcast Network Systems
** Astro Entertainment
*** Airtime Management & Programming

Kampus Astro is our holistic education proposition, which puts the fun back into learning by taking a 360-degree approach embracing academics, lifelong learning, community activities and on-ground events.

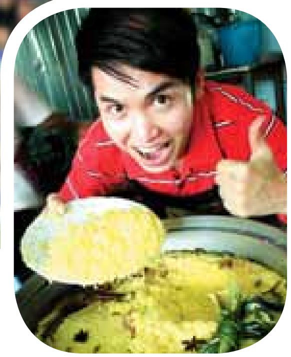


television

“Astro is enhancing its value proposition further by moving from Entertainment to Entertainment Plus. With our 360-degree approach to lifelong learning, Astro aspires to continue enriching the lives of all Malaysians.”

ROHANA ROZHAN Chief Executive Officer,
MEASAT Broadcast Network Systems (Astro TV)


Courtesy of Getty Images

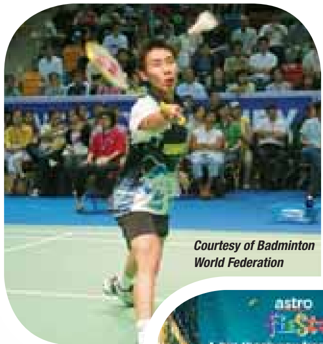


ASTRO TV: MAKING YOUR LIFE RICHER

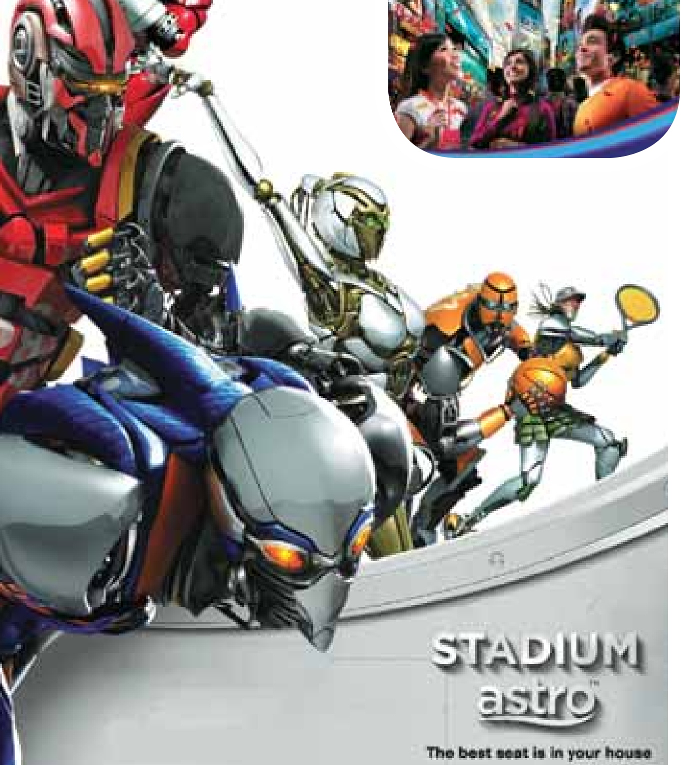
The Astro pay-TV business in Malaysia experienced strong revenue and subscriber increases during the year, sustaining the growth momentum of previous years. Penetration of semi-urban and more rural markets continued to be a key strategy. In addition, Astro - already an essential in many Malaysian homes – offers a value-for-money proposition in times of economic uncertainties. As a result of all these factors, we added a record 374,000 homes to our customer base, bringing the total to 2.6 million, allowing the Astro service to reach over 12 million people.

Our financial position remains strong. Year on year, Astro’s revenue increased 14% to RM2.66 billion, with subscriptions accounting for RM2.47 billion or 93%, and advertising and other income contributing RM191 million or slightly over 7% of the total. Our EBITDA margin was stable at 26% as careful management of other costs mitigated the anticipated increase in content cost. As a percentage of revenues, content cost rose to 35% from 33% as we invested in more local content and premium sports programming cost escalated.

television



Courtesy of Badminton World Federation



MARKETING AND DISTRIBUTION ENHANCED

Astro has enjoyed consecutive years of record sales and FY2009 was no different, with penetration of 45% of all TV households achieved. Our aggressive marketing and ground event efforts also saw semi urban and rural areas penetration grow to 23% from 18% in the previous year. Due to our ongoing investments to address under-penetrated markets, significant growth was achieved in both the Malay and the indigenous segments. Both these segments contributed 78% of total gross new customers acquired while Malay gross new customer additions increased by 31% year on year.

The frequency of our roadshows and ground events tripled during the year. Marketing campaigns nationwide delivered a 57% growth in gross additions of indigenous groups year on year or 73,000 new Astro homes. We also added 29,000 new net Chinese customers in FY2009 on the back of new Chinese packages. In general, record sales were largely attributed to the deployment of multi distribution network comprising retailers, direct sales agents, and telemarketing agents; productivity improvements; increased sales activities and promotions; as well as process improvements in activating new accounts.

NEW AND APPEALING PROGRAMMING

While FY2008 was dominated by the refreshing and adding of new channels and packages, FY2009 was the year we delivered the 'live, exclusive, and enhanced viewing experience' which our customers wanted. Live sports programming was the key highlight and this included the *UEFA EURO 2008™* football tournament, *Thomas* and *Uber Cup*, the *2008 Beijing Olympic* Games and the all-important *English Premier League*. All 31 matches of the *UEFA EURO 2008™* tournament were carried live with 10 of these exclusively broadcast on Astro SuperSport channel. In addition, Astro broadcast an unprecedented 3,000 hours of the *2008 Beijing Olympics* via 11 interactive channels, including for the first time ever, a channel in Cantonese co-produced with TVB (Hong Kong) for the benefit of our Astro Dynasty and Astro sports customers. Features directed at making the viewing experience the best seat in the house included an interactive navigation to allow the easy selection of events and channels, news updates, medal tallies, and the latest statistics via the Red Button application our customers are familiar with. Majority of Astro customers who watched our extensive sports coverage used and enjoyed the interactive features. They also wanted Astro to intensify interactivity in future sports programmes.

As a gesture of thanks to our customers we broadcast Astro Fiesta, two exclusive and complimentary channels featuring AXN Beyond, a channel of the paranormal and sci-fi genres plus an entertainment channel consisting of exclusive international concert performances and a variety of dramas in various languages.

In FY2009, we added three new channels; Bernama TV, a 24-hour news and current affairs channel, Australia Network, a 24-hour channel showcasing the best of Australian entertainment, sports, learning and current affairs and Tayangan Hebat, an Astro Box Office channel to showcase the latest blockbuster movies and variety shows to give our customers even more viewing choices.

FY2009 also saw an increase in viewership of our key signature programmes including *Akademi Fantasia*, *Raja Lawak* and *Sehati Berdansa*. Aside from a focus on Hokkien dialect content, co-productions with regional broadcasters and innovations of our signature shows such as the *Classic Golden Melody* and *Astro Star Quest* continue to make them the benchmark for live Chinese content and have resulted in an increase in the Chinese viewership to 86%. Viewership of our Indian content continues to be high at 89% through various signature programmes like *Vaanavil Super Star*, *Avatharam Aaramban* and *Aattam 100 Vagai*.

PUTTING THE FUN INTO LEARNING

Underpinned by our belief that our value proposition goes beyond entertainment and embraces our customers' life space, Astro embarked on an Entertainment to Entertainment Plus strategy. When identifying the important components of the lives of Malaysians, Learning was the first common thread in which we found we could enhance our value proposition, hence, the launch of Kampus Astro. Kampus Astro, our holistic education proposition, takes on a 360 degree approach via four main pillars i.e. Lifelong Learning, Academics, Astro in the Community and Astro on the Ground. Our collaboration with an established online education portal brought about Battle of the Brains, an online virtual exam provided to Astro customers at no charge for the key examination years in the Malaysian school syllabus and this was received warmly. Aside from the localisation of our Learning content through language customisation and subject matter, we focused on the creation of motivational content for the examination years. We also introduced school holiday learning camps as part of the Kampus Astro programme.

TUNING INTO OUR CUSTOMERS

We adopted an integrated approach to our customer service roadmap. Living in a multiracial and cultural diversity environment, we understand that our customers' demand for more vernacular content, live programming and fresh content and to this end, we invested RM300 million in local content and the localisation of foreign content including up to 14,000 hours of subtitling. Increasingly, customers also can watch programmes in either Bahasa Malaysia, English or Chinese via the audio language options. Astro's strength in its content offering and localisation efforts is largely due to its strong network relationships with its global channel owners like Turner Broadcasting, Sony Entertainment Television, Discovery Networks, Asia ESPN Star Sports, HBO Asia, TVB Ltd, Sun TV, STAR TV and many more.

Part of our service roadmap includes the development of a robust and improved electronic programming guide which can help our customers realise the full benefits of having Astro. High-definition (HD) TV sets are becoming increasingly popular so HD content is also on our roadmap.

We conducted on a regular basis, one of the largest service quality audits in Malaysia by deploying over 1,000 'mystery shoppers' to audit service levels in all our Customer Service Centres as well as Call Centres. The mystery shoppers were selected from our customer base to report any discrepancies in service quality to the Senior Management.

We increased our incoming call capacity to 420 simultaneous calls from 270 calls in the previous year. We expanded our Call Centre seat capacity by over 50% and added more vernacular language speakers at our Call Centres and Customer Service Centres. During the year,

television

a new Customer Service Centre was also added in Seberang Prai, giving our customers the convenience of 18 Customer Service Centres nationwide.

We introduced a programme to replace all existing smartcards with new smartcards that comes with the latest software updates and better security features. While the delivery of over 2.5 million of these smartcards was challenging from the logistical and security perspective, the card swap exercise was smooth-going and most customers enjoyed uninterrupted service during the programme.

We commenced implementation of the next generation end-to-end CRM and billing system. The system lays the foundation for online self service capability and payment anytime from anywhere. It is envisaged that it will drastically reduce inbound calls and visits to our Customer Service Centres. The upgrade of our All Asia Broadcast Centre in Bukit Jalil was completed during the year.

As a result of these and other developments to enhance our customer service and operational excellence, churn fell to 9.7% during the year, from 10.1% in the previous year.

AN EXCITING AND PROFITABLE FUTURE

With our plan to continue investing in customer service, operational excellence, content, and sales and marketing activities, Astro is positioned to continue growing. Additional capacity from the new M3a satellite is expected in 2009, allowing Astro to provide unparalleled entertainment, information and education content. With more channels, we will be able to cater to all relevant demographic segments by age, language and genres while offering superior interactive features further widening the competitive advantage over free-to-air TV stations.

Today, Astro is already providing personal video recorder (PVR) and near video on demand experience. Our next technology leap will enable us to deliver high definition content and full PVR capabilities.

Going forward, Astro aims to achieve a sustainable profitable growth via adding profitable customers with potential for increased consumption; managing existing customers through a growth path; keeping high-value customers on the service; and constant content refreshment and introduction of new content and services.

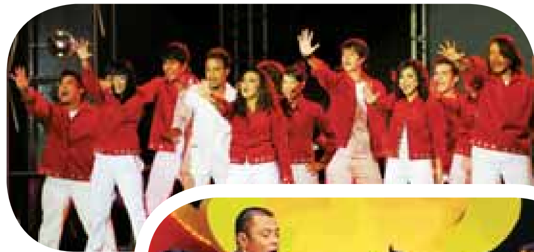
In order to achieve this, Astro recently restructured the organization to streamline and raise efficiency in customer growth, product development, customer care and experience enhancement, customer retention and meaningful loyalty programs, as well as to establish a technology roadmap capable of best in class operations. The core competency of Astro as a creator, aggregator and distributor of content will always remain our assets, differentiator, and competitive advantage where no other players will be able to rival.

Today, Astro is already at 45% penetration of total Malaysian TV households, and we expect that a 50% penetration to be an achievable target in the near future barring any unforeseen circumstances. This is a critical milestone which will give Astro the operational efficiency, cost advantage, critical mass to acquire costly content, and the feasibility to launch new services such as high-definition TV and video on demand.

Gempak Desa Astro (GDA) is an effective outreach programme. GDA features on-ground events with Astro talents including Akademi Fantasia celebrities. GDA is able to reach new customers especially in semi-urban, more rural areas, with community activities such as talent auditions, karaoke competitions, traditional games and IT clinics.

Akademi Fantasia, a reality talent quest show – now in its seventh year, is still a hot favourite among Astro viewers, providing a platform for new talents to be discovered and groomed to their fullest potential.

content



"Content to us is more than just entertainment. It can inspire. It enables the mind to flourish. It helps us see beyond the obvious."

ZAINIR AMINULLAH Executive Director, Astro Entertainment

TV PROGRAMMING: KEEPING OUR CUSTOMERS ENTERTAINED AND INFORMED

Our investment for the future

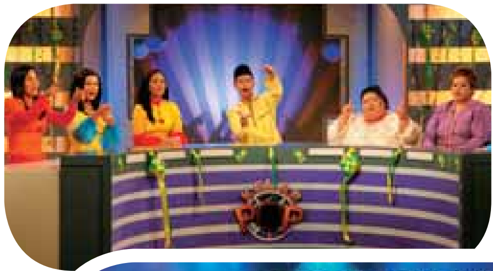
Increasing penetration into semi-urban and more rural markets of Malaysia accounted for a large part of pay-TV subscriber growth during the year. This growing new audience and our existing customers all demand compelling content, particularly local-language programming.

Our focus on developing, packaging and delivering such content requires significant investments particularly as our content development unit produces programming across multiple genres in seven different languages. Our ability to create content in Bahasa Malaysia, Hokkien, Cantonese, Mandarin, Hindi, Tamil and English makes us unique among content developers all over the world. The Astro Entertainment Network launched in FY2007 houses our Astro branded channels and accelerates our content development efforts.

Included in the Astro Entertainment Network is the subsidiary, Astro Entertainment Sdn Bhd (AESB). AESB leads our Bahasa Malaysia content development activities with annual budgets of over RM300 million. During the year, AESB's activities grew in significance, resulting in a decision to carve out the TV programming segment as a separate reportable business segment in the Group accounts. During the year, this segment delivered to customers a broad selection of exclusive programmes including dramas, current affairs coverage, game-shows and reality shows. Revenue rose 28% to RM234 million from RM183 million a year earlier while channel share also improved with an average 36% of Astro TV viewers watching the 9 Astro-branded channels under AESB compared with 28% in the previous year. Reflecting our commitment to Bahasa Malaysia content, first-run transmission hours increased to over 4,397 hours from 2,488 hours a year earlier.

Of the 9 Astro-branded channels of various genres produced by AESB, 3 are among the top 10 most heavily watched on the Astro TV platform.

content



Rich new programming concepts

Our existing all-time favourite programmes continue to be major hits with our viewers. These included our reality talent quest, *Akademi Fantasia*, which drew 1.2 million viewers during the finals of its seventh season. *Raja Lawak*, the comedy talent quest, had a viewership of 1.2 million in the finals of its third season while dance reality programme, *Sehati Berdansa*, finished its second season with more viewers than ever. *Tom Tom Bak*, a childrens variety talent show kicked off its fourth season in May 2009. Some new programmes which debuted during the year included *Jangan Lupa Lirik*, a game show hosted by Malaysia's favourite host Aznil Hj Nawawi which drew nearly 500,000 viewers weekly, drama serials such as *Awan Dania*, *Mertua vs Menantu*, *Taubat* and *Gang Bas Sekolah*, a drama series for children.

Other new game shows such as *Kelab Pop*, *Bolos* and *Teksi Tunai* and *Rasa Halal Orient*, a new culinary travelogue show, also made an impression with viewers. Astro OASIS, our Islamic lifestyle channel, increased its hold on customers with a wide array of new features including *Indahnya Iman* which provides access to Islamic prayers, Holy Quran recitals and calls of the azan. Viewers also could obtain information on solat prayer times through the 'Red Button' interactive feature. Astro AWANI took local current affair coverage to a new level with its 24-hour coverage of Malaysia's 12th General Elections in March 2008 including live on-location coverage of polling day. Fans of Mawi, winner of the third season of *Akademi Fantasia*, were able to share in the joy of his wedding to another local celebrity Ekin via a host of programmes broadcast across several Astro channels, all of them exclusively.

Our local productions notched up another success during the year through the syndication of our content, reaching a wider network of customers across Asia and potentially the world. Astro ARUNA and Astro RIA channels are now available on Singapore Telecom's Internet Protocol TV (IPTV) platform, MioTV. The availability of these channels on MioTV shows that the Group is ready to be a provider of local-language content across a myriad of platforms including new media. In Vietnam, we began supplying dramas from China, Taiwan and Indonesia, and Asian and Western movies to Ho Chi Minh Cable and Hanoi Cable on the Astro CAM XUC channel.

The growing demand for entertainment and information content delivered via mobile telephone, broadband and IPTV presents vast opportunities for the content business. Going forward, the content business will build upon its achievements thus far in promoting, re-packaging, re-purposing and distributing local content in Malaysia and worldwide, across traditional and new delivery platforms.

Compelling original content is central to our aim of providing high quality and relevant programming for our TV audiences so we rely heavily on fresh ideas, and new talents. Therefore supporting the community, particularly the youth and those involved in the performing arts, is therefore, a key part of our corporate responsibility programme. In December 2008, we selected 48 youths to participate in the Australian National Institute of Dramatic Arts short courses programme on script writing, screen acting and screen direction. This programme was introduced last year to encourage and support creative work in Malaysia. The continuation of the project demonstrates the Group's commitment to further its reach into the community via the performing arts.

MALAY FILMED ENTERTAINMENT

During the FY2009, Tayangan Unggul Sdn Bhd released three Malay-language films – *Apa Kata Hati*, a romantic comedy, *Histeria*, a horror film and *Maut*, a religious-themed film. Tayangan Unggul maintained its award-winning record when its ground-breaking black and white film, *Kala Malam Bulan Mengambang*, received the Best Film, Best Director, Best Actor, Best Art Direction and Best Costume awards at the 21st Malaysian Film Festival and Best Film, Best Director and Best Actor awards at the Anugerah Skrin event as well as three OSKAR Persatuan Pekerja Filem Malaysia awards. Another Tayangan Unggul production, *Anak Halal*, won the Best Original Story and Best Actress at the Malaysian Film Festival. In addition, *Puaka Tebing Biru* also won the Hadiah Galakan Filem Melayu award from Dewan Bahasa dan Pustaka.

INTERACTIVE

Multimedia Interactive Technology Sdn Bhd was re-named as Digital Five Sdn Bhd to reflect its five strategic areas of focus - mobile content, mobile applications, interactive TV, internet services and emerging platforms.

Interactive functionality on Astro TV was further enhanced in FY2009 with the launch of a multi-screen 'Red Button' application for all the Malay language channels, giving Astro TV customers the flexibility of multi-screen viewing and the ability to access information on many of the top programmes on the Malay language channels. Viewers can now also access an additional video channel "Variasi" to catch up on some of the top or classic programs on Astro TV. To meet the needs of avid video-game players, Digital Five launched multi-player games on Astro@15 which enables customers to spar against players from all over the country at the same time.

Other major launches during the year included Astro Mobile TV which offers over 20 channels and is available on Maxis mobile network. Mobile portals were also launched in various languages to support key programme content, including *Akademi Fantasia 6*, *Sehati Berdansa 2*, *Astro Star Quest* and the *Mawi & Ekin wedding*. The high level of usage of these portals helped extend the Astro brand into online and Mobile.

The Murai.com.my website made headway as a provider of exclusive local entertainment news. During the year, the website attracted an average of 350,000 users per month and partnered with E!Online to deliver in Bahasa Malaysia, the Sensasi Hollywood Bersama E!Online, news-feed.

PUBLICATIONS

Measat Publications Sdn Bhd's products complement Astro TV and AMP radio services and provide a supplementary avenue for generating advertising revenue and cross-media promotion activities. To this end, Measat Publications continued to forge links with international partners and during the year, launched the local edition of *Men's Uno*, a Chinese-language men's fashion and lifestyle magazine. Both *inTrend*, and *iFeel* continued to be the most widely-read magazines among our bouquet of publications. *Top Gear* Malaysia continues to receive critical acclaim and was bolstered by a successful first on-ground event, the *Top Gear* Malaysia Treasure Hunt, which created awareness of the magazine by encourage readers' participation and interaction.

TALENT MANAGEMENT

During the year, Maestro Talent and Management Sdn Bhd (Maestro) continued to identify, develop and promote various talents in the entertainment industry. It has a diversified pool of talents including actors, singers, announcers and performers. Most of these talents are from the Group's various televised shows such as *Akademi Fantasia*, *Astro Star Quest*, *Raja Lawak* and *Miss Chinese International*. Subsequently in April 2009, the operations of Maestro were integrated into AESB.

Our artistes have been featured in more than 530 shows and launched 11 new albums that sold over 40,000 copies. Andrew Tan, winner of the *Astro Star Quest* and a Maestro talent artiste has won numerous awards in 2008 for best new artiste including TVB8 Music awards (Hong Kong), Yeah n Young Express Music award and Persatuan Wartawan Hiburan Wilayah Persekutuan (PWHWP) 2008 awards for best Chinese album. Mawi, winner of *Akademi Fantasia 3* talent quest and a Maestro artiste, continued to remain as one of Malaysia's most popular singers, winning most popular male artiste in Malaysia award for the second straight year at Anugerah Bintang Popular 2008.

The revenue, EBITDA and cash-flow contributions from our film entertainment, interactive content, publications and talent management are not material to Group results. However, they provide synergies and significant media-bundling opportunities with our pay-TV, radio and TV programming businesses.

AMP made a solid contribution towards a greener Malaysia with its Tree Party programme. Aimed at replanting trees on 4,500 hectares of plantation land in Sepang, the programme invited listeners to pledge RM50 a tree, which was then planted by our announcers.

radio

"Responsible broadcasting means while we strive to leverage great content across multiple platforms, we constantly promote positive social values and create awareness on the environment. It is our duty to educate and entertain."

DATO' BORHANUDDIN OSMAN Executive Director, Airtime Management & Programming (AMP Radio Networks)

EXCELLING IN THE ART OF SEEING WITH OUR EARS

Market leaders

Competition in the Malaysian radio industry continues to intensify as rival stations step up content creation and promotional activities aimed at garnering market share. The Group's Airtime Management & Programming Sdn Bhd (AMP) radio networks remained the dominant player in the industry both in terms of listenership and share of advertising revenue. Nevertheless, AMP's share of total radex declined to 64% from 68%. Re-claiming a bigger share of the market will be the driving force behind AMP's overall strategy this year even as it is mindful of the impact of economic uncertainties on consumer spending. In terms of listenership, AMP radio networks has maintained its lead with 11 million listeners across the country tuning in weekly to the

radio

stations, representing 51.2% share of listeners. In addition, AMP's radio stations remain the number one stations in the four main vernaculars in the country; our flagship Bahasa Malaysia station ERA remains the country's most popular station, a position it has held for 9 years, MY FM is the top Chinese station, hitz.fm maintains its number one English station position and THR Raaga is the leading Tamil station, as affirmed by Nielsen's Radio Audience Measurement Survey in August 2008.

AMP's lead position among listeners and advertisers helped the business grow healthily during the year. Revenue rose 8% to RM182 million due to strong demand from advertisers, while EBITDA increased 16% to RM83 million due to tight cost management.

Staying ahead

During the year, the ERA brand was refreshed in conjunction with its 10th anniversary to provide a fresher and trendier look, which included the introduction of top Malaysian celebrity presenter Aznil into the ERA announcer line-up. Aznil teamed up with Din Beramboi in FY2009 to host Pagi Di ERA from 6am to 10am Monday-Friday each week, a show that has been enthusiastically received by listeners.

AMP continued to enhance its offering to advertisers with the introduction of a 'content integration' team which helps to drive the development and execution of client advertising campaigns and sponsorships. Other initiatives included the establishment of advertising sales teams in Malacca, Ipoh, and Kota Bharu providing local and regional businesses the opportunity to advertise on radio. During the year, the regional offices of Penang and Johor Bahru have set up its own ERA station vehicles, whilst Kota Bharu set up the THR Gegar station vehicles, to enhance their selling proposition and to maintain brand presence in these locations.

Numerous ground events were held throughout the year to promote interactivity with listeners. Jelajah ERA, an extensive music roadshow, was held in 10 locations across Malaysia to commemorate ERA's 10th anniversary. Other events included MY FM's 10th anniversary concert and the THR Raaga's series of Charity Concerts. Two big marketing campaigns were launched this year - 'Gotcha' by hitz.fm and 'Kena Kantoi' by ERA – to showcase the respective stations' breakfast shows.

The radio business continues to leverage on new and emerging technologies; hitz.fm, MY FM, SINAR and LiteFM studios were equipped with state-of-the-art digital broadcast equipment. Recovery centres were installed in two different locations as part of risk management measures. Interactive services were enhanced with the introduction of new mobile services, the revamp of all station websites, and the expansion of bandwidth to allow more online streaming of the stations. As a result, page-views at all eight stations' websites and blogs of certain announcers have increased significantly. Podcasting of excerpts from radio programmes as well as special content is now available for all stations. To leverage on the popularity of social networking websites such as Facebook, all AMP stations now have a presence on these sites.

Celestial Pictures- Shaw Library and Distribution

During the year in review, Celestial Pictures continued to expand its global distribution of the world-renowned Shaw Brothers film library and enhanced its TV channel business. In April 2008, Celestial Pictures launched two new TV channels - Celestial Movie Asia (CMA) and Celestial Classic Movies (CCM), which are broadcast on now TV, Hong Kong's largest pay-TV platform. CMA showcases Asian movies mainly from Japan and Korea, while CCM features classic Chinese movie masterpieces from the Shaw Brothers collection as well as other film libraries. Since its launch, CMA has been recognized as one of the fastest growing channels on now TV.

Further inroads were made to pursue collaborative opportunities in China. WaTV, a TV channel with contemporary Chinese language content produced in China and distributed by Celestial Pictures, has agreements with Jiangsu Media Group, a leading media company in China, to co-produce TV programmes of different genres to be exploited in China and overseas markets. This is the second such deal following a similar agreement with the Shanghai Media Group, also of China.

On the distribution side, the company continued to expand the reach of the Shaw Brothers library by signing new agreements with some of the world's leading broadcasting companies and distributors such as Kadokawa Entertainment Inc. for distribution in Japan, MGM Channel Central Europe for the Czech Republic, Hungary, Romania and Slovakia and Rainbow Media for the U.S. Celestial Pictures has also signed deals with a number of leading Asian video distributors to release Shaw Brothers films on home video in the U.S. and Canada.

Celestial Pictures is also one of the key content suppliers for Beijing Netmovie Co. Ltd., China's largest digital entertainment content aggregator. Under these arrangements Celestial Pictures will distribute 662 Shaw Brothers films and 170 hours of original TV dramas via Internet, IPTV, and mobile platforms in mainland China, including 30,000 internet cafés through Netmovie's proprietary online platform. Celestial Pictures has also signed a licensing agreement with AllTheContent, Switzerland's leading content provider, to distribute a range of Kung Fu mobile products in Belgium, Luxembourg, France and Switzerland. This is the first European new media distribution partnership for the company. This brings to nearly 20 the number of countries in which Celestial Pictures is now re-purposing and distributing content from the Shaw Brothers library for new media and mobile users.

Detailed information relating to investments in Indonesia, India, China and the Middle East are contained in the Group Chief Executive Officer's Review.

Risk Factors

The Group's Enterprise Risk Management framework aims to identify key risks, evaluate the impact and consequences of these risks, and ensure the company's preparedness and ability to face them. Risks, whether individual or in combination, may significantly affect the Group's financial performance and should be carefully weighed with any forward-looking statement in the Annual Report. The key risks highlighted and summarised below are not exhaustive. The Group has based its ERM framework on industry best practices and standards of corporate accountability plus prudent risk management practices and acceptable control standards as defined by our regulators.

POLITICAL AND REGULATORY

The Group operates in an industry that is subject to a broad range of rules and regulations put in place by various governing bodies and relevant authorities. Consequently, the Group emphasises strict compliance. The Group also constantly keeps up with all relevant developments and is in regular contact with governing authorities.

FOREIGN ASSOCIATES

The Group faces risks of unexpected changes in laws, regulations, licensing, taxation and other policies as it invests in foreign ventures and operates overseas. The Group also may have limited control over management, operations and performance of its overseas joint-ventures and partnerships, thereby reducing its ability to manage related risks. Nevertheless, the Group constantly evaluates the risks at hand as it maps its strategies, and ensures mitigation plans are in place.

ECONOMIC CONDITIONS

Changes in economic conditions, whether global or local, may adversely impact consumer sentiment and spending, thereby affecting the Group's financial performance. The Group closely monitors economic conditions in the countries in which it operates or has invested, and constantly ensures that its strategies are optimised for existing circumstances.

SERVICES AVAILABILITY

The Group relies on a wide range of systems, including the Measat 3 satellite and broadcast equipment, to deliver a high-quality service. The Group continually reviews and enhances its systems and their interconnectivity to minimise service interruption. Business continuity plans have been implemented in the Group, and are regularly reviewed and stress-tested. At the same time, the Group is working with its satellite provider to mitigate the risk of loss of transponders. The Group now has two broadcast centres which provide redundancy capacity. However, the Group is currently dependent on the performance of Measat 3 for continuing overall performance of its service.

COMPETITION

Competition can range from other leisure activities that compete for the customer's wallets to existing media and telecommunications players which may offer appealing products and services, and technology developments that may result in consumers deriving content from alternative sources such as broadband video and IPTV. The Group is cognisant of critical industry developments, changes in customers' preferences and considers key indicators such as ratings and viewership in its product planning and development.

PROCURING EXCLUSIVE AND COMPELLING CONTENT

Content, particularly local content, is key for customer acquisition and retention. The rights to and pricing of third-party content are subject to periodic negotiation which may exceed budget projections. Thus, the Group constantly explores opportunities to develop proprietary content and works closely with key programme providers while diversifying its sources of third-party content.

TECHNOLOGY AND INNOVATION

Technology and innovation are critical to our business and industry. The Group is cognisant of the latest industry trends and has upgraded its facilities to enhance security and preparedness amid the emergence of new technologies. The Group has also taken steps to reduce technical and operational disruptions while ensuring its systems remain current and relevant through continuous maintenance and system upgrades.

HUMAN RESOURCES

Our human resources are crucial to our business strategy formation and execution. Inadequate resources and brain drain are challenges which the Group tries to mitigate by hiring the best, and retaining them by providing attractive performance-based rewards and a safe and healthy work environment. Competency-based training has also been put in place while succession planning has been implemented for key functions in the Group.

REPUTATION AND PUBLICITY

The Group's actions, talents and brands are constantly in the public eye. The Group advocates corporate responsibility through programmes that focus on human development, education and nurturing of our youth. The Group also actively engages with the public via dialogue with community groups, interest groups and government bodies.

Corporate Governance

40 Corporate Governance Statement
46 Audit Committee Report
48 Statement on Internal Control

Corporate Governance Statement

Corporate Governance sets out the framework and process by which institutions, through their board of directors and senior management, regulate their business activities. These principles balance safe and sound business operations while complying with relevant laws and regulations.

Your Board is fully committed to maintaining high standards of corporate governance to safeguard and promote the interests of the shareholders and to enhance the long term value of the Group. To this end, it has adopted a set of Corporate Governance Guidelines to govern its conduct within the spirit of the Malaysian Code on Corporate Governance ("Code") and the Listing Requirements of Bursa Securities. The Board has approved this statement and is of the opinion that it has, in all material respects, complied with the principles and best practices outlined in the Code for the financial year ended 31 January 2009. In addition, the Board has continued to adhere to the principles recommended in the United Kingdom Combined Code of the Principles of Good Governance and Code of Best Practice where applicable to the circumstances of the Group as described in this report.

1. THE BOARD

The Board has adopted the following six responsibilities in the discharge of its stewardship, which are also set out in the Directors' Manual:

- Review and adopt strategic plans for the Group
- Oversee the conduct of the Group's businesses to evaluate whether the businesses are properly managed
- Identify and manage principal risks
- Succession planning of senior management
- Develop and implement an investor relations programme
- Review the adequacy and integrity of the internal control and management information systems

The Board provides the leadership necessary to enable the Group's business objectives to be met within a framework of internal controls while ensuring that the interests of the shareholders are safeguarded. During the financial year under the review, the Board has reviewed and approved a 3-year strategic plan that will set the Group's business direction in order to meet its objectives. The Board has also on a regular basis reviewed the performance of the Group and individual businesses, risk management procedures, key controls, corporate governance standards and adequacy of human resources as well as conducted investor briefings.

1.1 Composition and Balance

As at 31 January 2009, your Board comprised four Non-Executive Directors including the Chairman, and one Executive Director. Three of the four Non-Executive Directors are independent, which is higher than the minimum prescribed in the Code and the Listing Requirements. The Board considers that the balance achieved between Executive and Non-Executive Directors during the financial year under review was appropriate and effective for the control and direction of the Group's business. The Board is also of the opinion that the Board composition during the year under review had fairly represented the ownership structure of the Company with appropriate representations of minority interest through the Independent Directors.

The roles of the Non-Executive Chairman and the Group Chief Executive Officer have been distinguished, with a clear division of their responsibilities to ensure that there is a balance of power and authority. The Chairman is responsible for ensuring Board effectiveness and conduct. The Group Chief Executive Officer is responsible for providing leadership and advancing relationships with regulators and stakeholders, as well as having overall responsibility over the operating units, organisational effectiveness, formulation of strategies and implementation of Board policies and decisions.

The independent Directors play a pivotal role in corporate accountability and provide unbiased and independent views and judgement to the Board's deliberation and decision making process, which is reflected in their membership of the various Board Committees and their attendance of meetings as detailed below. In addition, the Non-Executive Directors ensure that matters and issues brought up to the Board are fully discussed and examined, taking into account the interest of all stakeholders.

All Directors observe the Code of Business Ethics established by the Group. The Group also recognises that all Directors are equally and collectively accountable for the proper stewardship of the Group's affairs. The Group maintains a directors' and officers' liability insurance policy to cover against liabilities arising from holding office as directors. The policy covers the personal liability of the directors and officers.

The profiles of the members of the Board, as set out on Pages 16 to 17 of this Annual Report, demonstrate the complement of skills and experiences that the Directors are able to bring to bear on issues of strategy, performance, control, resource allocation and integrity.

1.2 Appointments to the Board

In compliance with the Code, the Nomination and Corporate Governance Committee has the responsibility of proposing new candidates for appointment to the Board.

One-third of the Directors are subject to re-election by rotation at every Annual General Meeting in accordance with the Company's Articles of Association. Re-appointments are not automatic and all Directors must retire and submit themselves for re-appointment by shareholders at least once in every three years.

Pursuant to the Listing Requirements, each member of the Board holds not more than ten directorships in public listed companies and not more than fifteen directorships in non-public listed companies. This ensures that their commitment, resources and time are focused on the affairs of the Group to enable them to discharge their duties effectively. Your Directors are in full compliance with this requirement.

1.3 Training

Your Board fully supports the need for its members to further enhance their skills and knowledge and changing commercial risks to keep abreast with the developments in the economy, industry and technology, among others. It is regularly updated on new statutory and regulatory requirements and the impact and implication to the Group and Directors in carrying out their duties and responsibilities.

All the Directors have attended seminars or briefings during the financial year and they are kept informed of available training programmes on a regular basis. An appropriate budget is in place for Directors' training. Among the seminars or briefings attended by one or more Directors during the financial year include:

- Television Regulatory
- Understanding the Working Methodology of Enterprise Risk Management
- An Overview of the Malaysian Capital Market – Capital Markets and Services Act 2007 and Regulation of the Securities Market
- Finance for Directors and Senior Executives
- Effective Governance The Way Forward
- Derivatives – Effective or Costly
- Board Remuneration on the Upswing – A Foreseeable Trend
- 16th World Congress on Information Technology
- Commercial Laws in Indonesia
- Ethical Trading and Responsible Sourcing
- In-House Tax Seminar
- Directors' Responsibilities under United Kingdom Law for Issuance of a Prospectus
- An Overview of Satellite Operations and Tapeless Digital Technology
- Financial Reporting Standards Updates

The Company Secretary facilitates the organisation of internal programmes and Directors' attendance in external programmes and maintains the details of training programmes attended by the Directors. In addition, the Directors receive briefings and updates on the Group's businesses and operations, risk management activities and technology initiatives on a regular basis.

1.4 Supply of Information and Board Meetings

Your Board has full and unrestricted access to all information pertaining to the businesses and affairs of the Group as well as services of the Company Secretary, to enable them to discharge their duties effectively. The Company Secretary also ensures that the Board is supplied with all necessary information in a reliable and timely manner as well as for ensuring good communication between the Board, Board Committees and senior management. The Board may also seek external independent professional advice at the Group's expense.

The Board meets at least every quarter and on other occasions, as and when necessary, to inter-alia approve quarterly financial results, statutory financial statements, the annual report, business plans and budgets as well as to review the performance of the Company and its operating subsidiaries, governance matters and other business development activities. Senior management and external advisors are invited to attend the Board and Board Committees meetings to advise on relevant agenda items to enable the Board and its committees to arrive at a considered decision. Prior to Board or Board Committees meetings, the Directors receive a formal agenda and a comprehensive set of board papers encompassing management reports on financial and operating performance, minutes of Board meetings, reports on risk management, proposal papers and supporting documents to enable the Directors to review, appraise or obtain further information, if necessary on the agenda items to be discussed. In addition to quantitative information, the Directors are also provided with updates on other areas such as market developments, customer, risk management and technology. The Company Secretary attends all Board and Board Committees meetings and ensures that accurate and proper records of the proceedings of the meetings and resolutions passed are kept.

Minutes of every Board meeting are circulated to all Directors for their perusal prior to confirmation, in order to provide an opportunity to the Directors to clarify or raise comments on the minutes prior to the confirmation of the minutes.

Corporate Governance Statement

The attendance record of individual Directors at Board and Board Committee meetings for the financial year ended 31 January 2009 is detailed below:

Name	Board	Board Committees		
		Audit	Nomination and Corporate Governance	Remuneration
Number of meetings during the financial year	*5*	*5*	*2*	*2*
Dato' Haji Badri Haji Masri	5/5	n/a	n/a	n/a
Ralph Marshall	5/5	n/a	n/a	n/a
Bernard Anthony Cragg	5/5	5/5	2/2	n/a
Dato' Mohamed Khadar Merican	5/5	5/5	2/2	2/2
Chin Kwai Yoong	5/5	5/5	2/2	2/2

1.5 Board Committees

To ensure the effective discharge of its fiduciary duties, the Board has delegated specific responsibilities to the following four Board Committees. The Board Committees will deliberate in greater detail and examine the issues within their terms of reference as set out by the Board and make the necessary recommendations to the Board which retains full responsibility.

Audit Committee

Composition of the Audit Committee, its terms of reference and a summary of its activities are set out on Pages 46 and 47 of this Annual Report.

Nomination and Corporate Governance Committee

This Committee is primarily responsible for recommending appointments to the Board and Board Committees, having regard to the overall skills and composition of the Board. In addition, there is in place a framework for Directors to evaluate the effectiveness of the Board, the Board Committees and the contribution and performance of each individual Director. The chairman of the Nomination and Corporate Governance Committee assumes overall responsibility for the assessment process and the findings are reported by the chairman and discussed with the Directors. The assessment of the chairman of this Committee is addressed by the Chairman of the Board. The assessment of Chairman of the Board is led by the Non-Executive Directors who are led by the Senior Independent Director.

In relation to the financial year ended 31 January 2009, the outcome of the assessment of the Board as a whole, Board Committees and individual Directors indicated that all the Board members were satisfied with the overall performance of the Board, Board Committees and with each other's performance and contribution, and concluded that the Board contributed effectively to the operations and review of the Group's affairs. The Board is also of the opinion that the Directors seeking re-appointment at the forthcoming Annual General Meeting (AGM) have continued to give effective counsel and commitment to the Group and accordingly should be re-appointed.

Members of the Nomination and Corporate Governance Committee, all of whom are independent Non-Executive Directors, are:-

- Dato' Mohamed Khadar Merican (Chairman)
- Bernard Anthony Cragg
- Chin Kwai Yoong

Remuneration Committee

This Committee is primarily responsible for reviewing and recommending the appropriate level of remuneration for the Directors and Chief Executive Officer. In respect of the financial year ended 31 January 2009, the Committee has evaluated the performance of the Group Chief Executive Officer based on agreed performance targets set by the Board and made recommendation on his performance bonus for the Board's approval.

Members of the Remuneration Committee, all of whom are independent Non-Executive Directors, are:-

- Chin Kwai Yoong (Chairman)
- Dato' Mohamed Khadar Merican

Option Committee

This Committee is primarily responsible for administering the Company's 2003 Employee Share Option Scheme and 2003 Management Share Incentive Scheme in accordance with the approved bye-laws and regulations, including selection of eligible employees and option allocations. It also reviews the guidelines and bye-laws relating to the schemes and advises the Board accordingly.

During the financial year under review, the Option Committee reviewed and approved the share option grants pursuant to the 2003 Employee Share Option Scheme. The allocation of options to eligible employees to ensure compliance with the bye-laws of the 2003 Employee Share Option Scheme was also reviewed by the Audit Committee in accordance with the Listing Requirements.

Members of the Option Committee are:-

- Dato' Mohamed Khadar Merican (Chairman)
- Ralph Marshall
- Chin Kwai Yoong

1.6 Directors' Remuneration

Remuneration Policy

The Board believes that remuneration should be sufficient to attract, retain, motivate and incentivise Directors of the necessary calibre, expertise and experience to lead the Group. In line with this philosophy, remuneration for the Executive Director is aligned to individual and corporate performance based on agreed key performance indicators set by the Board. For Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities shouldered by the respective Directors.

The Remuneration Committee recommends the policy framework and is responsible for assessing the compensation package for the Group Chief Executive Officer. The remuneration of the Group Chief Executive Officer for the year under review consists of salary, bonus, benefits-in-kind and share options respectively. The Company also contributes to the employee provident fund for the Group Chief Executive Officer.

Remuneration for Non-Executive Directors is determined by the Board as a whole. Individual directors do not participate in determining their own remuneration package. The Board, subject to a maximum sum as authorised by the Company's shareholders, determines fees payable to Non-Executive Directors. Non-Executive Directors are also entitled to meeting allowances and reimbursement of expenses incurred in the course of their duties as Directors. They are not entitled to any bonus, share option or contribution scheme of the Company.

Elements of Remuneration of Group Chief Executive Officer

Pursuant to a Contract of Service dated 31 May 2006, Ralph Marshall's remuneration package is based on the following elements:

- Monthly executive stipend
- Annual discretionary cash incentive and share options as recommended by the Remuneration Committee and approved by the Board
- Defined contribution plan, benefits-in-kind and other allowances
- A fully maintained company car and driver, medical coverage for the Group Chief Executive Officer and his family, and social club memberships
- A one-off contract renewal fee

The Group Chief Executive Officer's existing service contract is expiring on 1 September 2009. The non-interested Directors have reviewed and approved a new Contract of Service for the Group Chief Executive Officer for a further term of 2 years commencing from 2 September 2009 to 1 September 2011 which may be extended for a further 1 year from its expiry on such terms and conditions as may be mutually agreed upon. Either party may terminate the Contract by giving 12 months' prior written notice.

Corporate Governance Statement

Elements of Remuneration of Non-Executive Directors

The remuneration structure is as follows:

- Fees for duties as Directors and additional fees for undertaking responsibilities as Chairman, Senior Independent Director or member of Board Committees
- Meeting allowances

The Chairman of the Board is also entitled to a fixed allowance and the services of a driver.

Details of Directors' remuneration for the financial year ended 31 January 2009 are set out below:

Aggregate Remuneration

	Fees (RM'000)	Other Emoluments* (RM'000)	Share Based Payment (RM'000)	Defined Contribution Plan (RM'000)	Total (RM'000)
Non-Executive					
Dato' Haji Badri Haji Masri	270	187	n/a	n/a	457
Dato' Mohamed Khadar Merican	228	35	n/a	n/a	263
Bernard Anthony Cragg	503	58	n/a	n/a	561
Chin Kwai Yoong	218	35	n/a	n/a	253
	Fees (RM'000)	**Salary and Emoluments** (RM'000)**	**Share Based Payment (RM'000)**	**Defined Contribution Plan (RM'000)**	**Total (RM'000)**
Executive					
Ralph Marshall	n/a	2,318**	1,790	330	4,438
	1,219	2,632	1,790	330	5,971

* Inclusive of allowances and/or benefits-in-kind.

** Inclusive of salary, bonus and benefits-in-kind.

Analysis of Remuneration

	No. of Directors	
Range of Remuneration	**Executive**	**Non-Executive**
RM250,001 – RM300,000	–	2
RM450,001 – RM500,000	–	1
RM550,001 – RM600,000	–	1
RM4,400,001 – RM4,450,000	1	–

2. SHAREHOLDERS AND INVESTORS

2.1 Communication with Shareholders and Investor Relations

The Board is committed to providing investors accurate, useful and timely information about the Group, its businesses and its activities. The Group regularly communicates with the investor community in conformity with disclosure requirements. The Chairman of the Board and the Group Chief Executive Officer are representatives of major shareholders and constant communication between them and the rest of the Board ensures that views of these major shareholders are known and understood. The Board believes that clear and consistent communication with investors encourages a better appreciation of the Company's business and activities, reduces share price volatility, and allows the Company's business and prospects to be evaluated properly.

To this end, the Board obtains regular feedback from key senior management and the investor relations team who dialogue with institutional investors on an ongoing basis throughout the year. These dialogues include telephone conferences with analysts and fund managers after the announcement of the Group's quarterly financial results and participation in non-deal road shows and key investor conferences overseas. Media coverage on the Group and senior management is also initiated proactively at regular intervals to provide wider publicity and improve the understanding of the Group's business. Pertinent information on the Group is available on the Company's website at www.astroplc.com and in the Annual Report.

The Group maintains strict confidentiality and employs best efforts to ensure that no disclosure of material information is made on a selective basis to any individuals unless such information has previously been fully disclosed and announced to the relevant regulatory authorities. With this philosophy in mind, the Board views the AGM as the primary forum to communicate with shareholders. The Company will convene its sixth AGM on 20 July 2009 during which shareholders will have the opportunity to direct their questions to the Board.

The Board encourages other channels of communication with shareholders. For this purpose, the Board has identified Dato' Mohamed Khadar Merican as the Senior Independent Director to whom queries or concerns regarding the Group may be conveyed. Dato' Mohamed Khadar Merican can be contacted via the following channels:

Post : Dato' Mohamed Khadar Merican
c/o Corporate Secretarial Department
3rd Floor, All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
57000 Kuala Lumpur
Fax : (603) 9543-6877
E-mail : dato.khadar@investor-concerns.com

Investors may also direct their queries to:

Rita Foo, Manager, Investor Relations
Tel : (603) 9543-6688
Fax : (603) 9543-6877
Email : ir@astroplc.com

3. ACCOUNTABILITY AND AUDIT

3.1 Financial Reporting

The Board is responsible for presenting a clear, balanced and comprehensive assessment of the Group's financial position, performance and prospects each time it releases its quarterly and annual financial statements to its shareholders. The Board is responsible for ensuring that the financial statements give a true and fair view of the results of operations and the financial state of affairs of the Group.

The financial statements of the Group and Company are required to be prepared in compliance with International Financial Reporting Standards. The Statement of Directors' Responsibilities is set out on Page 55 of this Annual Report.

3.2 Internal Control

The Statement on Internal Control provides an overview of the state of internal controls within the Group and is set out on Pages 48 to 49 of this Annual Report.

3.3 Relationship with the Auditors

The Audit Committee's role with respect to internal and external auditors is described in the Audit Committee Report set out on Pages 46 to 47 of this Annual Report.

Audit Committee Report

The Board is pleased to present the Report of the Audit Committee ("Committee") for the financial year ended 31 January 2009 in accordance with Paragraph 15.16 of the Listing Requirements.

The Committee reviews and monitors the integrity of the Group's financial reporting process, in addition to reviewing the Group's risk management process and system of internal controls. It also reviews the Group's audit process, compliance with legal and regulatory requirements, code of business conduct and any other matters that are specifically delegated by the Board.

1. TERMS OF REFERENCE

The Committee is duly authorised by the Board to:

- review the Group's significant accounting policies
- investigate any activities within its charter
- seek any information that it requires from any employee of the Group and to be provided with full and unrestricted access to such information
- maintain direct communication channels with the external and internal auditors
- obtain external legal or independent professional advice if necessary
- have access to the Group's resources, at the Group's expense
- convene meetings with the internal and external auditors without the executive members of the Committee, if necessary
- recommend steps or proposed courses of action, where required, to the Board on matters arising from the discharge of the Committee's duties and responsibilities

2. COMPOSITION AND MEETINGS

The Committee comprises three Board members, all of whom fulfill the qualifying criteria prescribed by the Listing Requirements of Bursa Securities. Members of the Committee including its Chairman are appointed by the Board on the recommendation of the Nomination and Corporate Governance Committee. In accordance with the Committee's Charter, each member of the Committee may serve for a period of up to three years, extendable by no more than two additional three-year periods, so long as the members continue to be independent.

The Committee is chaired by Bernard Anthony Cragg and current members comprise Dato' Mohamed Khadar Merican and Chin Kwai Yoong, all of whom are independent Non-Executive Directors.

The Committee met five times during the financial year. Details of members and their attendance at meetings are included on page 42. The Group's external auditors, senior members of the Corporate Assurance Division (internal audit) and certain designated members of senior management also attended the meetings at the invitation of the Committee. The Company Secretary acts as the Secretary of the Committee.

The Committee also met with the external auditors twice and Corporate Assurance once in separate sessions during the financial year without the presence of management. In addition, the Committee members either collectively or individually met with the external auditors and Corporate Assurance during the financial year.

3. SUMMARY OF ACTIVITIES

During the financial year ended 31 January 2009, the Committee reviewed the statutory financial statements, quarterly financial reports and any other related formal financial statements and announcements of the Group for quality of disclosure and presentation and discussed significant issues to ensure that compliance with applicable approved accounting standards and legal requirements were met. The Committee also reviewed the external auditors' report on the Group's statutory financial statements and quarterly financial reports prior to making a recommendation to the Board for approval and public release thereof.

The Committee has also performed an assessment of the external auditors' independence, objectivity and effectiveness, including taking into consideration the provision of non-audit services by the external auditors before recommending their reappointment and remuneration. The Group has a policy on the provision of audit and non-audit services by the external auditors, the general principle being that the audit firm should not be requested to perform non-audit services that may impair the objectivity and independence of the audit firm. An analysis of the audit and non-audit services including the fees incurred is provided by the external auditors and reviewed by the Audit Committee on a quarterly basis. The Audit Committee has discussed the matter of audit independence with the external auditors and is satisfied that the independence of the audit firm is not impaired by the provision of the non-audit services. The Audit Committee has also received and reviewed written confirmation from the external auditors that they continue to be independent and objective within the meaning of applicable Malaysian and United Kingdom regulatory and professional requirements.

The Chairman of the Committee reports regularly to the Board on the activities of the Committee. In addition to those described above, other activities included:

Financial Reporting and Compliance

- Review of matters relating to the accounting, auditing, financial reporting practices and procedures of the Group.

Risk Management and Internal Control

- Review the Group risk profile and the status of the enterprise risk management process implemented by the Group and results of the process to facilitate the identification, assessment, evaluation, monitoring and management of risks.
- Review adequacy of the Group's internal operational processes to identify key organisational risks and the systems in place to monitor and manage these risks.

- Review adequacy of the Group's policies and procedures relating to internal control, financial, auditing and accounting matters such that it complies with our business practices.

Internal Audit (Corporate Assurance)

- Review adequacy of the Corporate Assurance Charter and effectiveness of Corporate Assurance.
- Review the plan, scope of the Corporate Assurance function including the authority, impartiality, proficiency and adequacy of competency and resources to carry out its function.
- Review results of its reports, findings, recommendations, management response and action taken on the recommendations.
- Review effectiveness and performance of audit staff and approve appointment or termination of senior staff and note the reasons for staff resignations.

External Audit

- Nominate the firm to be retained as external auditors after taking into consideration the terms of engagement, independence of the firm and its remuneration for audit and non-audit services.
- Review the external auditors' audit plan, scope of annual audit or other examinations including:
  - the annual audit report and accompanying reports to management.
  - reports of their other examinations as well as management letters and the response from management .
  - assistance given by the Group and the Group's employees to the external auditors.

Related Party Transactions

- Review related party transactions entered into by the Group to ensure that the transactions have been conducted on the Group's normal commercial terms and that the internal control procedures relating to such transactions are sufficient.

Employee Share Option Scheme

- Review the verification performed by Corporate Assurance on the allocation of options to eligible employees to ensure compliance with the bye-laws of the 2003 Employee Share Option Scheme for the financial year under review.

Others

- Review the management quarterly report on new laws and regulations, material litigation and enterprise risk management.
- Review and recommend the Corporate Governance Statement, Statement on Internal Control and Report of the Audit Committee for inclusion in the Company's Annual Report and the Circular to Shareholders on Related Party Transactions, prior to Board approval.
- Review adequacy of the terms of reference of the Committee taking into account changes to the applicable laws, regulations, auditing principles and best practices.
- Conduct an ongoing self-assessment of its effectiveness in meeting its responsibilities on a quarterly basis.

4. CORPORATE ASSURANCE

The Group has an internal audit function, known as Corporate Assurance, led by the Head of Corporate Assurance who reports directly to the Chairman of the Committee. Corporate Assurance assists the Committee in evaluating and improving the effectiveness of risk management, control and governance processes through a systematic and disciplined approach. This is accomplished by the provision of assurance and consulting services through a programme of regular reviews and appraisals based on the Strategic Review Plan that is approved by the Audit Committee annually.

Corporate Assurance adopts a risk-based methodology in planning and conducting audits by focusing on key risks auditable areas. This approach is consistent with the Group's established framework for designing, implementing and monitoring of its control systems. Corporate Assurance also works closely with the Enterprise Risk Management Division and the external auditors to monitor the risk governance framework and the risk management processes of the Group to ensure their effectiveness.

During the financial year, the major areas of work performed by Corporate Assurance and reported to the Audit Committee are as follows:

- Implemented the Strategic Review Plan for the financial year ended 31 January 2009 encompassing audit coverage of all significant business areas based on identification and evaluation of the respective risks and control environment.
- Performed a variety of reviews such as financial, operational and information systems audits covering principally the Astro pay-TV, radio and content operations of the Group's business. The respective operations in interactive content, talent management as well as Group corporate functions such as human resource and information technology operations were also reviewed and reported to the Audit Committee. The results of the reviews performed by Corporate Assurance were communicated to both Management and the Committee together with the implementation status of audit recommendations.
- Conducted follow-up on previous recommendations made by the external auditors as well as Corporate Assurance to ensure that appropriate corrective actions were implemented on a timely basis or within agreed timelines to assure that key risk and control concerns were being addressed effectively.
- Performed special reviews such as governance enhancement, systems implementation controls, verification of share option scheme allocations as well as approval procedures for related party transactions.

The operational costs incurred for maintaining Corporate Assurance for the financial year amounted to approximately RM2.5 million.

Statement on Internal Control

Your Board recognises that risk management is an integral part of the Group's business operations and has implemented a formal and ongoing process for identifying, evaluating, monitoring and managing the significant risks of failure in accordance with the guidance prescribed in the Malaysian Code on Corporate Governance. The Board of Directors is responsible for the Group's system of internal controls and risk management and for reviewing its adequacy and integrity in order to safeguard shareholders' investment and the Company's assets. These systems are designed to manage, rather than eliminate the risk of failure in achieving the Group's business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board however, does not regularly review the internal control systems of its associated companies as it does not have control over their operations. The Company's interests are safeguarded through representations on the boards of the associated companies and application of monitoring controls. These representations and monitoring controls provide the Board with information to assess the performance of the Group's investments. The financial statements of all the associated companies requiring statutory audits are audited by external auditors.

This Statement, prepared in accordance with paragraph 15.27(b) of the Listing Requirements of Bursa Securities has been approved by the Board and reviewed by the external auditors as required under paragraph 15.24. The external auditors' review was performed in accordance with Recommended Practice Guide 5 ("RPG 5") issued by the Malaysian Institute of Accountants. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of the internal control of the Group. RPG 5 does not require the external auditors to and they did not consider whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures.

1. RISK MANAGEMENT

Your Board is committed to and supports the implementation of Enterprise Risk Management ("ERM") as an integral part of the Group's practices, planning and business processes, where the identification, assessment, monitoring and reporting of risks at all levels, from strategic to operations, is an ongoing activity. The Board is assisted by the Group's Enterprise Risk Management Committee ("ERMC"), which is chaired by the Company's Chief Financial Officer and comprises senior management from each business unit. The ERMC meets on a quarterly basis to review the effectiveness of the ERM process and reports arising from risk management activities as well as to deliberate on the risks identified, controls and risk mitigation strategies which are thereafter tabled and reviewed by the Audit Committee on a quarterly basis. The key business units also have their own Risk Committee which meets on a quarterly basis to review and update their individual risk profile.

A list of the significant risk factors faced by the Group and the corresponding mitigating measures taken is included in a separate section of this report on page 38.

The ERM activities undertaken by the ERM Division on an ongoing basis include facilitating the review and update of the Group risk profile as well as the development of risk profiles for the Group's key initiatives, and providing quarterly updates on and consolidating the business units' risk profiles, including regional operations into the Group risk profile. The risks and controls identified are independently validated by the Corporate Assurance function as part of their ongoing reviews. The ERM Division also conducts risk awareness sessions and provides guidance across the Group to sustain risk awareness and a risk management culture.

2. CONTROL ENVIRONMENT

Your Board is committed to maintaining a sound internal control structure that includes a process of continuous monitoring and review of the effectiveness of the control activities, to govern the manner in which the Group and its staff conduct themselves. Some of the key elements of the internal control structure and processes include:

- **Organisational structure**
  The roles and responsibilities of the Board, Board Committees and management are clearly defined to ensure proper identification of accountability and segregation of duties to promote effective and independent stewardship in the best interests of shareholders. In particular, the Audit Committee comprising wholly of independent non-executive directors is responsible for reviewing the integrity of the Group's financial reporting process, risk management process and control systems.

- **Limits of delegated authority**
  These specify the levels of authority delegated to authorised management for capital commitment and operational expenditure on behalf of the Group. The limits are reviewed and updated regularly to reflect business, operational and structural changes.

- **Documented policies and procedures**
  Policies and procedures relating to finance, procurement, human resource and information systems for operating units within the Group have been established and are revised as needed to meet changing business and operational needs. Accounting systems and financial processes are governed by the Group Finance Manual.

- **Detailed budget process**
  The Board is responsible for approving the consolidated Group budget on a yearly basis upon reviewing the budget for each business within the Group. As part of the budget process, performance indicators have been established for each and every business unit. Performance is monitored regularly and a reporting system highlights significant variances against budgets for investigation and follow-up by management of the respective businesses. Monthly financial and operational reports are provided to the Board with key statistics publicly disclosed to shareholders every quarter.

- **Code of Business Ethics**
  A formal code emphasising the Group's corporate values, ethical behaviour and the manner in which staff, vendors and suppliers should conduct themselves has been issued and acknowledged by all employees.

- **Management assurance functions**
  Management assurance functions such as Revenue Assurance and Programme Management Office have been established for the Group's Pay-TV business. The revenue assurance function provides an end-to-end process to verify the completeness, accuracy and integrity of the capturing, recording, billing, collection and reporting of all revenue producing events and transactions through a continuous process of detecting, quantifying, monitoring and reporting revenue leakages. The Programme Management Office on the other hand ensures that project timelines and deliverables are adequately monitored and conforms to accepted best practices.

- **The Corporate Assurance function**
  Reporting to the Audit Committee, Corporate Assurance provides objective and independent assurance on the effectiveness of the control environment and risk management systems. Its activities are governed by a strategic review plan that is reviewed by management and approved by the Audit Committee. Subsequent revisions to the plan arising from changes to the Group's operations and priorities are reported to the Audit Committee for approval.

3. CONCLUSION

Your Board is pleased to report that there were no significant internal control deficiencies or weaknesses that resulted in material losses or contingencies to the Group for the financial year under review.

Directors' Report and Audited Statutory Financial Statements

52 Directors' Report

55 Statement of Directors' Responsibilities

56 Independent Auditors' Report

57 Income Statements

58 Balance Sheets

59 Cash Flow Statements

60 Statement of Changes in Equity

63 Notes to the Financial Statements

118 Statutory Declaration

Directors' Report

The Directors present their report to the members together with the audited financial statements of the Group and the Company for the financial year ended 31 January 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The Group is primarily engaged in the provision of Direct-to-Home ('DTH') subscription television services, radio broadcasting services, film library licensing, multi-media interactive services, television content creation, aggregation and distribution and investment holding. Further details of the principal activities of the subsidiaries are set out in Note 37 to the financial statements. There was no significant change in the nature of these activities of the Group and the Company during the financial year.

The Company and its subsidiaries are collectively referred to as the Group.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The Group ceased all support and services to PT Direct Vision on 20 October 2008 as disclosed in Note 39 to the financial statements.

REVIEW OF RESULTS

	Group		Company	
	2009 RM'000	**2008 RM'000**	**2009 RM'000**	**2008 RM'000**
(Loss)/Profit attributable to equity holders of the Company	**(529,187)**	(6,158)	**(373,886)**	206,404
Loss attributable to minority interests	**(1,265)**	(5,712)	**–**	–
(Loss)/Profit for the year	**(530,452)**	(11,870)	**(373,886)**	206,404

BUSINESS REVIEW

The Companies Act 1985 requires the Company to set out in this report a fair review of the business of the Group during the financial year ended 31 January 2009, including an analysis of the position of the Group at the end of the financial year, and a description of the principal risks and uncertainties facing the Group. This information is disclosed in the following sections of the Annual Report.

- Letter to Shareholders
- Business and Financial Review
- Risk Factors

FINANCIAL INSTRUMENTS

Details of the Group's use of financial instruments, together with information on the risk management objectives and policies, are disclosed in Note 3 to the financial statements.

DIVIDENDS

During the financial year the following dividends were paid:

	RM'000
In respect of the financial year ended 31 January 2008:	
– Third interim dividend of 3.0 sen per share consisting of gross dividend of 2.7 sen per share less 25% Malaysian income tax and tax exempt dividend of 0.3 sen per share, paid on 24 April 2008	44,966
– Final tax exempt dividend of 2.0 sen per share, paid on 29 August 2008	38,681
In respect of the financial year ended 31 January 2009:	
– First interim tax exempt dividend of 2.5 sen per share, paid on 31 July 2008	48,351
– Second interim tax exempt dividend of 2.5 sen per share, paid on 23 October 2008	48,351
– Third interim tax exempt dividend of 2.5 sen per share, paid on 21 January 2009	48,351
	228,700

The Directors also recommend a final tax exempt dividend payment of 2.5 sen per share estimated at RM48,350,890 in respect of the financial year ended 31 January 2009 subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting ('AGM'). The final tax exempt dividend will be paid on a date to be determined.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions are presented in the financial statements.

SHARE CAPITAL

Details of movements in share capital are disclosed in Note 27 to the financial statements.

CORPORATE GOVERNANCE

Details concerning the Company's arrangements relating to corporate governance are disclosed in the Corporate Governance Statement in the Annual Report.

DIRECTORS

The Directors who have held office at any time during the financial year are:

Dato' Haji Badri bin Haji Masri	*Chairman and Non-Executive Director*
Augustus Ralph Marshall	*Executive Deputy Chairman and Group Chief Executive Officer*
Dato' Mohamed Khadar bin Merican	*Independent Director*
Bernard Anthony Cragg	*Independent Director*
Chin Kwai Yoong	*Independent Director*

In accordance with the Company's Articles of Association, Bernard Anthony Cragg and Chin Kwai Yoong retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-appointment.

DIRECTORS' INTEREST

The details of holdings in the shares of the Company by the Directors in office as at 31 January 2009 were as follows:

	Number of ordinary shares of 10p each			
	As at 1.2.2008	**Acquired**	**Disposed**	**As at 31.1.2009**
Direct interest				
Augustus Ralph Marshall	1,000,000	–	–	**1,000,000** [(1)]
Dato' Mohamed Khadar bin Merican	250,000	–	–	**250,000** [(1)]
Indirect interest				
Dato' Haji Badri bin Haji Masri	177,946,535	–	–	**177,946,535** [(2)(3)]

(1) *Held through a nominee.*

(2) *Deemed to have an interest over 500,000 ordinary shares of 10p each in the Company ("Shares") held by Ratna Pelangi Sdn. Bhd. ("RPSB") by virtue of his 99% direct equity interest in RPSB.*

(3) *Deemed to have an interest over 177,446,535 Shares in which Harapan Terus Sdn. Bhd. ("HTSB") has an interest by virtue of his 25% direct equity interest in HTSB. HTSB is deemed to have an interest in all the Shares in which Berkat Nusantara Sdn. Bhd., Nusantara Cempaka Sdn. Bhd., Nusantara Delima Sdn. Bhd., Mujur Nusantara Sdn. Bhd., Gerak Nusantara Sdn. Bhd. and Sanjung Nusantara Sdn. Bhd. (collectively "HTSB Subsidiaries") have an interest by virtue of HTSB being entitled to control the exercise of 100% of the votes attached to the voting shares in the immediate holding companies of each of HTSB Subsidiaries. HTSB Subsidiaries hold the Shares under discretionary trusts for Bumiputera objects. As such, he does not have any economic interest over these Shares since such interest is held subject to the terms of the discretionary trusts for Bumiputera objects.*

2003 EMPLOYEE SHARE OPTION SCHEME ("ESOS") AND 2003 MANAGEMENT SHARE INCENTIVE SCHEME ("MSIS")

Employee Share Option Scheme

The Company's ESOS and MSIS ('Schemes') came into effect on 22 October 2003 for a period of 10 years. These Schemes are governed by the 2003 Bye-Laws, which were approved by the Board of Directors and Shareholders of the Company on 29 September 2003.

The principal features of the Schemes are summarised in Note 28 to the financial statements.

Details of options over ordinary shares of the Company held by a Director of the Company are set out below:

	Number of options over ordinary shares of 10p each			
	As at 1.2.2008	**Granted**	**Forfeited**	**As at 31.1.2009**
ESOS*				
Augustus Ralph Marshall	4,448,600	1,458,400	–	**5,907,000**
MSIS				
Augustus Ralph Marshall	1,350,000	–	–	**1,350,000**

* *Subsequent to the financial year end, 2,625,000 additional options over unissued shares of the Company have been granted.*

Directors' Report

Other than as disclosed above, according to the register of Directors' shareholdings, the Directors in office at the end of the financial year did not hold any interest in shares and options over ordinary shares in the Company or shares and options over ordinary shares of its related corporations during the financial year.

Other interests

The Company maintains third party indemnity and liability insurance for its Directors and Officers against any financial consequence of actions which may be brought against them by third parties for acts or omissions in the course of the performance of their duties.

POLICY AND PRACTICE ON PAYMENT OF CREDITORS

As an investment holding company and management services provider, the Company does not have any trading relationships with suppliers. However, its operating subsidiaries pay their suppliers in accordance with the relevant contractual and legal obligations, provided the terms and conditions are met by the suppliers.

The credit terms are disclosed in Note 25 to the financial statements.

SIGNIFICANT POST BALANCE SHEET EVENTS

There were no significant post balance sheet events as at 4 May 2009, other than as disclosed in Note 37(a) to the financial statements.

UNITED KINGDOM ACCOUNTING PRONOUNCEMENT

The financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB and with those parts of the United Kingdom Companies Act 1985 applicable to Companies reporting under IFRS.

In addition to complying with IFRSs as adopted by the European Union, the financial statements also comply with the IFRSs as issued by the IASB.

AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS

The Auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office. A resolution for their re-appointment as Auditors of the Company will be proposed at the forthcoming AGM.

In accordance with the provision of Section 2342A of the Companies Act 1985, each of the Directors in office at the date of approval of this report has confirmed that:

* So far as he is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the Company's Auditors are unaware; and
* He has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Auditors are aware of that information.

Approved by the Board of Directors on 4 May 2009 and signed on its behalf by:

DATO' HAJI BADRI BIN HAJI MASRI
DIRECTOR

AUGUSTUS RALPH MARSHALL
DIRECTOR

Kuala Lumpur

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and the Company financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. In preparing these financial statements, the Directors have also elected to comply with IFRSs, issued by the International Accounting Standards Board ('IASB'). The financial statements are required by law to give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union and IFRSs issued by IASB; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at anytime the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the United Kingdom Companies Act 1985 and, as regards the Group financial statements, Article 4 of the International Accounting Standards ('IAS') Regulation. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the board

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

Independent Auditors' Report

TO THE MEMBERS OF ASTRO ALL ASIA NETWORKS plc

We have audited the Group and Company financial statements (the ''financial statements") of ASTRO ALL ASIA NETWORKS plc for the financial year ended 31 January 2009 which comprise the Income Statements, the Balance Sheets, the Cash Flow Statements, the Statements of Change in Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards ('IFRSs') as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information given in the Directors' Report includes that specific information presented in the Letter to Shareholders, Business and Financial Review and Risk Factors that is cross referred from the Business Review section of the Directors' Report.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions are not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report, Letter to Shareholders, Business and Financial Review and Risk Factors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's and the Company's affairs as at 31 January 2009 and of the Group's and Company's loss and the Group's and the Company's cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
13 May 2009

Income Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2009

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Revenue	6	**2,971,460**	2,601,698	**307,885**	275,286
Cost of sales		**(1,720,820)**	(1,532,470)	**–**	–
Gross profit		**1,250,640**	1,069,228	**307,885**	275,286
Other operating income		**31,311**	15,024	**495**	1
Marketing and distribution costs		**(300,861)**	(250,002)	**(8,128)**	(9,400)
Administrative expenses		**(444,688)**	(402,196)	**(64,686)**	(73,115)
Impairment of investment in subsidiaries		**–**	–	**(282,798)**	–
Impairment of amounts due from subsidiaries		**–**	–	**(336,857)**	–
Other operating expenses		**(10,212)**	(3,307)	**(4,092)**	(3,307)
		526,190	428,747	**(388,181)**	189,465
Amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development	39	**(687,419)**	(227,408)	**–**	–
(Loss)/profit from operations	7	**(161,229)**	201,339	**(388,181)**	189,465
Finance (cost)/income (net)	10	**(131,031)**	31,023	**16,866**	20,150
Share of post tax results from investments accounted for using the equity method		**(80,113)**	(95,731)	**–**	–
(Loss)/profit before taxation		**(372,373)**	136,631	**(371,315)**	209,615
Taxation	11	**(158,079)**	(148,501)	**(2,571)**	(3,211)
(Loss)/profit for the year		**(530,452)**	(11,870)	**(373,886)**	206,404

	Note	Group 2009 RM'000	Group 2008 RM'000
Attributable to:			
Equity holders of the Company		**(529,187)**	(6,158)
Minority interests	31	**(1,265)**	(5,712)
		(530,452)	(11,870)
Earnings per share (in sen)	13		
– Basic		**(27.36)**	(0.32)
– Diluted		**N/A***	N/A*

* *Not applicable as the options under the ESOS and MSIS are anti-dilutive and would decrease the loss per share for the financial year.*

Customer Acquisition Costs ("CAC") analysed as follows:

	Group 2009 RM'000	Group 2008 RM'000
Set top box costs – included in Cost of sales	**283,867**	230,301
Set top box revenue – included in Revenue	**(9,017)**	(15,319)
Set top box subsidies	**274,850**	214,982
Marketing and distribution costs	**162,799**	138,271
CAC	**437,649**	353,253
Gross profit as per above	**1,250,640**	1,069,228
Set top box subsidies	**274,850**	214,982
Gross profit before set top box subsidies	**1,525,490**	1,284,210

The accompanying notes on pages 63 to 117 form part of the financial statements.

Balance Sheets

AS AT 31 JANUARY 2009

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Non-Current Assets					
Property, plant and equipment	15	**992,193**	1,025,265	**5,061**	1,174
Interest in investments accounted for using the equity method	16	**526,848**	387,722	**–**	–
Investment in subsidiaries	37	**–**	–	**9,364,742**	9,090,533
Deferred tax assets	17	**129,741**	255,957	**–**	–
Financial asset	18	**3,000**	3,000	**–**	–
Film library and programme rights	19	**276,936**	315,600	**–**	–
Intangible assets	20	**163,653**	137,137	**9,719**	4,736
		2,092,371	2,124,681	**9,379,522**	9,096,443
Current Assets					
Inventories	21	**39,145**	39,551	**–**	–
Receivables and prepayments	22	**679,535**	461,996	**5,688**	10,138
Amounts due from subsidiaries	38	**–**	–	**1,132,712**	1,154,653
Derivative financial instruments	23	**2,440**	–	**–**	–
Tax recoverable		**2,510**	1,786	**1,571**	–
Cash and cash equivalents	24	**1,058,076**	986,831	**23,320**	82,386
		1,781,706	1,490,164	**1,163,291**	1,247,177
Current Liabilities					
Payables	25	**1,218,025**	1,022,772	**26,194**	19,203
Amounts due to subsidiaries	38	**–**	–	**6,878,767**	6,425,557
Derivative financial instruments	23	**23,647**	140	**–**	–
Borrowings	26	**393,711**	21,619	**356,890**	465
Current tax liabilities		**3,188**	4,003	**–**	667
		1,638,571	1,048,534	**7,261,851**	6,445,892
Net current assets / (liabilities)		**143,135**	441,630	**(6,098,560)**	(5,198,715)

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Non-Current Liabilities					
Payables	25	**286,160**	170,197	**–**	–
Deferred tax liabilities	17	**12,503**	10,727	**12,268**	10,679
Borrowings	26	**1,137,303**	764,952	**160,622**	190,300
		1,435,966	945,876	**172,890**	200,979
		799,540	1,620,435	**3,108,072**	3,696,749
Capital and reserves attributable to equity holders of the Company					
Share capital	27	**1,200,051**	1,200,049	**1,200,051**	1,200,049
Share premium	29	**31,638**	31,629	**31,638**	31,629
Merger reserve	30	**518,446**	518,446	**–**	–
Exchange reserve		**(126,344)**	(71,757)	**–**	–
Hedging reserve		**(21,207)**	(140)	**–**	–
Other reserve		**96,972**	83,074	**96,972**	83,074
(Accumulated losses)/ retained earnings		**(900,016)**	(142,129)	**1,779,411**	2,381,997
		799,540	1,619,172	**3,108,072**	3,696,749
Minority interests	31	**–**	1,263	**–**	–
Total equity		**799,540**	1,620,435	**3,108,072**	3,696,749

The accompanying notes on pages 63 to 117 form part of the financial statements.

Approved by the Board of Directors on 4 May 2009 and signed on its behalf by

DATO' HAJI BADRI BIN HAJI MASRI
DIRECTOR

AUGUSTUS RALPH MARSHALL
DIRECTOR

Cash Flow Statements

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2009

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Cash Flows From/(Used in) Operating Activities					
(Loss)/profit for the year		**(530,452)**	(11,870)	**(373,886)**	206,404
Adjustments for non-cash items	14 (a)	**1,449,623**	791,455	**581,867**	(43,093)
		919,171	779,585	**207,981**	163,311
Changes in working capital					
Film library and programme rights		**(289,000)**	(278,888)	**–**	–
Inventories		**(130,348)**	13,491	**–**	–
Receivables and prepayments		**(186,930)**	(104,185)	**(245,763)**	(380,115)
Payables		**(79,969)**	157,110	**163,174**	791
Cash generated from / (used in) operations		**232,924**	567,113	**125,392**	(216,013)
Income tax paid		**(13,787)**	(8,687)	**(3,220)**	(3,225)
Interest received		**36,068**	36,172	**1,516**	13,431
Net cash flow from / (used in) operating activities		**255,205**	594,598	**123,688**	(205,807)
Cash Flows Used in Investing Activities	14 (b)	**(421,636)**	(624,378)	**(508,205)**	(296,495)
Cash Flows From / (Used in) Financing Activities	14 (c)	**232,822**	(57,525)	**325,451**	9,564
Net effect of currency translation on cash and cash equivalents		**4,854**	(1,529)	**–**	–
Net Increase / (Decrease) In Cash and Cash Equivalents		**71,245**	(88,834)	**(59,066)**	(492,738)
Cash and Cash Equivalents At Beginning Of Financial Year		**986,831**	1,075,665	**82,386**	575,124
Cash and Cash Equivalents At End Of Financial Year	24	**1,058,076**	986,831	**23,320**	82,386

The accompanying notes on pages 63 to 117 form part of the financial statements.

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2009

Group

	Note	Attributable to equity holders of the Company									
			Non-distributable								
		Share capital (Note 27) RM'000	Share premium RM'000	Merger reserve RM'000	Exchange reserve RM'000	Hedging reserve RM'000	Other reserve RM'000	Accumulated losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1 February 2008		1,200,049	31,629	518,446	(71,757)	(140)	83,074	(142,129)	1,619,172	1,263	1,620,435
Shares of a subsidiary issued to minority interest	31	–	–	–	–	–	–	–	–	2	2
Currency translation differences		–	–	–	(54,587)	–	–	–	(54,587)	–	(54,587)
Cash flow hedges:											
– Net fair value loss		–	–	–	–	(14,592)	–	–	(14,592)	–	(14,592)
– Gain on realisation of forward foreign exchange rate contract	10	–	–	–	–	(7,680)	–	–	(7,680)	–	(7,680)
– Loss on realisation of interest rate swap	10	–	–	–	–	1,205	–	–	1,205	–	1,205
Net losses recognised directly in equity		–	–	–	(54,587)	(21,067)	–	–	(75,654)	–	(75,654)
Loss for the year		–	–	–	–	–	–	(529,187)	(529,187)	(1,265)	(530,452)
Total recognised income and expenses		–	–	–	(54,587)	(21,067)	–	(529,187)	(604,841)	(1,265)	(606,106)
Share options:											
– proceeds from shares issued		2	9	–	–	–	–	–	11	–	11
– value of employee services		–	–	–	–	–	13,898	–	13,898	–	13,898
Dividends	12	–	–	–	–	–	–	(228,700)	(228,700)	–	(228,700)
At 31 January 2009		1,200,051	31,638	518,446	(126,344)	(21,207)	96,972	(900,016)	799,540	–	799,540

The accompanying notes on pages 63 to 117 form part of the financial statements.

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2009

Group

	Note	Share capital (Note 27) RM'000	Share premium RM'000	Merger reserve RM'000	Exchange reserve RM'000	Hedging reserve RM'000	Other reserve RM'000	Retained earnings / (accumulated losses) RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
		Attributable to equity holders of the Company	Non-distributable								
At 1 February 2007		1,199,194	27,643	518,446	(30,656)	12,008	58,798	56,430	1,841,863	5,522	1,847,385
Shares of a subsidiary issued to minority interest	31	–	–	–	–	–	–	–	–	1,462	1,462
Currency translation differences		–	–	–	(41,101)	–	–	–	(41,101)	(9)	(41,110)
Cash flow hedges:											
– Net fair value loss		–	–	–	–	(2,637)	–	–	(2,637)	–	(2,637)
– Loss on realisation of forward foreign exchange rate contract	10	–	–	–	–	137	–	–	137	–	137
– Gain on realisation of interest rate swap	10	–	–	–	–	(9,648)	–	–	(9,648)	–	(9,648)
Net losses recognised directly in equity		–	–	–	(41,101)	(12,148)	–	–	(53,249)	(9)	(53,258)
Loss for the year		–	–	–	–	–	–	(6,158)	(6,158)	(5,712)	(11,870)
Total recognised income and expenses		–	–	–	(41,101)	(12,148)	–	(6,158)	(59,407)	(5,721)	(65,128)
Share options:											
– proceeds from shares issued		855	3,986	–	–	–	–	–	4,841	–	4,841
– value of employee services		–	–	–	–	–	25,266	–	25,266	–	25,266
– transfer upon exercise		–	–	–	–	–	(990)	990	–	–	–
Dividends	12	–	–	–	–	–	–	(193,391)	(193,391)	–	(193,391)
At 31 January 2008		1,200,049	31,629	518,446	(71,757)	(140)	83,074	(142,129)	1,619,172	1,263	1,620,435

The accompanying notes on pages 63 to 117 form part of the financial statements.

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2009

Company

	Note	Share capital (Note 27) RM'000	Share premium RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000
			← Non-distributable →		Distributable	
At 1 February 2008		**1,200,049**	**31,629**	**83,074**	**2,381,997**	**3,696,749**
Loss for the year		**–**	**–**	**–**	**(373,886)**	**(373,886)**
Total recognised income and expense		**–**	**–**	**–**	**(373,886)**	**(373,886)**
Share options:						
– proceeds from shares issued		**2**	**9**	**–**	**–**	**11**
– value of employee services		**–**	**–**	**13,898**	**–**	**13,898**
Dividends	12	**–**	**–**	**–**	**(228,700)**	**(228,700)**
At 31 January 2009		**1,200,051**	**31,638**	**96,972**	**1,779,411**	**3,108,072**

	Note	Share capital (Note 27) RM'000	Share premium RM'000	Hedging reserve RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000
			←	Non-distributable	→	Distributable	
At 1 February 2007		1,199,194	27,643	12,008	58,798	2,221,711	3,519,354
Cash flow hedge:							
– fair value loss		–	–	(2,360)	–	–	(2,360)
– gain on realisation of interest rate swap	10	–	–	(9,648)	–	–	(9,648)
Net losses recognised directly in equity		–	–	(12,008)	–	–	(12,008)
Profit for the year		–	–	–	–	206,404	206,404
Total recognised income and expense		–	–	(12,008)	–	206,404	194,396
Share options:							
– proceeds from shares issued		855	3,986	–	–	–	4,841
– value of employee service		–	–	–	25,266	–	25,266
– transfer upon exercise		–	–	–	(990)	990	–
Winding up of a subsidiary		–	–	–	–	146,283	146,283
Dividends	12	–	–	–	–	(193,391)	(193,391)
At 31 January 2008		1,200,049	31,629	–	83,074	2,381,997	3,696,749

The accompanying notes on pages 63 to 117 form part of the financial statements.

Notes to the Financial Statements

1. GENERAL INFORMATION

The principal activities of the Company are investment holding and provision of management services. The Group is primarily engaged in the provision of DTH subscription television services, radio broadcasting services, film library licensing, television content creation, aggregation and distribution, multi-media interactive services and investment holding. Further details of the principal activities of the subsidiaries are set out in Note 37(c) to the financial statements. There were no significant changes in the nature of these activities of the Group and the Company during the financial year.

The Company is a limited liability company incorporated in England and Wales under the United Kingdom Companies Act, 1985 and is registered as a foreign company in Malaysia under the Malaysian Companies Act, 1965 and has tax resident status in Malaysia.

The address of the registered offices of the Company in England and Wales and Malaysia are as follows:

- 10 Upper Bank Street
London, E14 5JJ
United Kingdom

- 3rd Floor, Administration Building
All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
Bukit Jalil
57000 Kuala Lumpur
Malaysia

The Company is listed on the Main Board of Bursa Malaysia Securities Berhad.

These consolidated financial statements have been approved for issue by the Board of Directors on 4 May 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements of the Group and the Company are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB and with those parts of the United Kingdom Companies Act, 1985 applicable to Companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention, except where otherwise stated in the accounting policies below.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Directors to exercise their judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Adoption of new and revised IFRS

The Group has adopted all of the new and revised Standards and Interpretations issued by the IASB and the IFRIC of the IASB that are effective and relevant to its operations. The adoption of the following new standards, amendment and interpretations did not affect the Group results of operations or financial position:

(a) Standards, amendment and interpretations effective for the financial year

IFRIC 11, 'IFRS 2 – Group and treasury share transactions', provides guidance on whether share-based transactions involving treasury shares or involving group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and group companies. This interpretation does not have an impact on the Group's financial statements.

Notes to the Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

(b) Standards, amendments and interpretations effective for the financial year but not relevant

- IFRIC 12, 'Service concession arrangement';
- IFRIC 13, 'Customer loyalty programmes' ;and
- IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'.

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group and Company

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's and Company's accounting periods after 31 January 2009 but have not been early adopted:

- IAS 23 (amendment), 'Borrowing costs' (effective from 1 January 2009), subject to endorsement by the European Union;
- IFRS 8, 'Operating segments' (effective from 1 January 2009);
- IAS 1 (revised), 'Presentation of financial statements' (effective from 1 January 2009);
- IFRS 2 (amendment), 'Share-based payment' (effective from 1 January 2009);
- IAS 32 (amendment), 'Financial instruments: Presentation', and IAS 1 (amendment), 'Presentation of financial statements' – 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009);
- IFRS 1 (amendment), 'First time adoption of IFRS', and IAS 27, 'Consolidated and separate financial statements', (effective from 1 January 2009);
- IAS 27 (revised), 'Consolidated and separate financial statements', (effective from 1 July 2009);
- IFRS 3 (revised), 'Business combinations' (effective from 1 July 2009). The revised standard is still subject to endorsement by the EU;

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group and Company

- IFRS 5 (amendment), 'Non-current assets held-for-sale and discontinued operations', (and consequential amendment to IFRS 1, 'First-time adoption') (effective from 1 July 2009);
- IAS 23 (amendment), 'Borrowing costs' (effective from 1 January 2009);
- IAS 28 (amendment), 'Investments in associates' (and consequential amendments to IAS 32, 'Financial Instruments: Presentation', and IFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009);
- IAS 36 (amendment), 'Impairment of assets' (effective from 1 January 2009);
- IAS 38 (amendment), 'Intangible assets' (effective from 1 January 2009);
- IAS 19 (amendment), 'Employee benefits' (effective from 1 January 2009);
- IAS 39 (amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).
- IAS 1 (amendment), 'Presentation of financial statements', (effective from 1 January 2009);
- There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures', IAS 8, 'Accounting policies, changes in accounting estimates and errors', IAS 10, 'Events after the reporting period', IAS 18, 'Revenue', and IAS 34, 'Interim financial reporting', which are part of the IASB's annual improvements project published in May 2008 (not addressed above); and
- IFRIC 16, 'Hedges of a net investment in a foreign operation' (effective from 1 October 2008).

The expected impact of the above standards, amendments and interpretations are being assessed by the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

A Basis of preparation (Cont'd.)

(d) Standards, amendments and interpretations to existing standards that are not yet effective and not relevant to the Group and Company

- IAS 16 (amendment), 'Property, plant and equipment' (and consequential amendment to IAS 7, 'Statement of cash flows') (effective from 1 January 2009);
- IAS 27 (amendment), 'Consolidated and separate financial statements' (effective from 1 January 2009);
- IAS 29 (amendment), 'Financial reporting in hyperinflationary economies' (effective from 1 January 2009);
- IAS 31 (amendment), 'Interests in joint ventures', (and consequential amendments to IAS 32 and IFRS 7) (effective from 1 January 2009);
- IAS 40 (amendment), 'Investment property' (and consequential amendments to IAS 16) (effective from 1 January 2009);
- IAS 41 (amendment), 'Agriculture' (effective from 1 January 2009);
- IAS 20 (amendment), 'Accounting for government grants and disclosure of government assistance' (effective from 1 January 2009);
- The minor amendments to IAS 20 'Accounting for government grants and disclosure of government assistance', and IAS 29, 'Financial reporting in hyperinflationary economies', IAS 40, 'Investment property', and IAS 41, 'Agriculture', which are part of the IASB's annual improvements project published in May 2008 (not addressed above); and
- IFRIC 15, 'Agreements for construction of real estates' (effective from 1 January 2009).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

B Consolidation

Subsidiaries

Subsidiaries, which are those entities in which the Group has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies, are consolidated.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Under the purchase method of accounting, the cost of an acquisition is measured as the fair value of the assets given up, equity instruments issued and liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of the minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets of the subsidiary acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless costs cannot be recovered.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the invested entities. A debit balance of minority interest is recognised to the extent that the Group does not have a commercial and legal obligation in respect of the losses attributable to the minority interest.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

B Consolidation (Cont'd.)

Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence over their operating and financial policies, but over which it does not have control.

Investments in associates are accounted for using the equity method of accounting. Under this method, the Group's share of the post-acquisition profits or losses of associates is recognised in the income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred.

The Group's investment in associates includes goodwill (net of accumulated impairment) on acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless the Group has incurred obligations or amounts owing by the associate.

Dilution gains and losses arising in investments in associates are recognised in the income statement.

Jointly Controlled Entities

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties. The Group's interests in jointly controlled entities are accounted for using the equity method of accounting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

B Consolidation (Cont'd.)

Jointly Controlled Entities (Cont'd.)

Equity accounting involves recognising in the income statement the Group's share of the results of jointly controlled entities for the period. The Group's investments in jointly controlled entities are carried in the balance sheet at an amount that reflects its share of the net assets of the jointly controlled entities and includes any long term interests.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities. Unrealised losses are also eliminated unless costs cannot be recovered.

Reporting dates of Associates and Jointly Controlled Entities

The financial statements of certain associates and jointly controlled entities are made up to different reporting dates from the Company. For the purpose of applying the equity method of accounting, the financial statements of these companies for the respective financial year ends have been used, and appropriate adjustments have been made for the effects of significant transactions between that date and at the financial year end of the Group.

C Investments

At Company level, investments in subsidiaries, associates and jointly controlled entities are shown at costs less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See policy Note H on impairment of assets.

The investment in the Redeemable Convertible Preference Shares ('RCPS') issued by a subsidiary is carried at cost plus accretion of the expected yield from the investment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

D Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ringgit Malaysia ('RM'), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into RM using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the retranslation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign subsidiaries

Income statements and cash flows of foreign subsidiaries are translated into RM at average exchange rates for the financial year and their balance sheets are translated at the exchange rates ruling at financial year end. Differences on exchange arising from the translation of opening net assets of foreign subsidiaries denominated in foreign currency are taken to exchange reserve together with the differences between the income statements translated at average exchange rates for the financial year and exchange rates ruling at the financial year end. Other exchange differences are taken to the income statement when they arise.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of foreign entity and translated at the closing rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

E Property, Plant and Equipment

Freehold land is not depreciated as it has an unlimited useful life. Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment. Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives.

The estimated useful lives of the assets are as follows:

Buildings	40 years
Satellite transponders	11.5 – 15 years
Equipment, fixtures and fittings	4 – 10 years
Broadcast and transmission equipment	3 –10 years

No depreciation is calculated on assets under construction until the assets are completed and are ready for their intended use. Leased assets capitalised are depreciated over their estimated useful lives or lease period, whichever is shorter.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

At each balance sheet date, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See policy Note H on impairment of assets.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the assets and are included in the income statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

F Film Library and Programme Rights

(a) Film library

The Group's film library comprises acquired films and films produced for the Group with the primary intention to exploit the library through release and licensing of such films as part of the Group's long-term operations. The library is stated at cost less accumulated amortisation and accumulated impairment losses. See policy Note H on impairment of assets.

Amortisation of the film library is on an individual title basis, based on the proportion of the actual income earned during the period against the estimated ultimate revenue expected to be earned over the revenue period, not exceeding twenty years. Estimated ultimate revenue expected to be earned is reviewed periodically and additional impairment losses are recognised if appropriate. Amortisation is included in cost of sales.

(b) Programme rights

The programme rights comprise rights licensed from third parties and programmes produced for the Group and production in progress with the primary intention to broadcast in the normal course of the Group's operating cycle. The rights are stated at cost less accumulated amortisation and accumulated impairment losses. See policy Note H on impairment of assets.

The Group amortises programme rights based on an accelerated basis over the license period or estimated useful life if shorter, from the date of first transmission, to match the costs of consumption with the estimated benefits to be received. Amortisation is included in cost of sales. The amortisation period is no more than five years.

The cost of programme rights for sports, current affairs, variety and light entertainment is fully amortised on the date of first transmission.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

G Intangible Assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition of a subsidiary/associate/jointly controlled entity over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate/jointly controlled entity at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of investments accounted for using the equity method is included in the investments. Goodwill is not amortised, but is subject to an annual review for impairment and carried at cost less accumulated impairment losses. Any impairment is charged to the income statement as it arises. The calculation of the gains and losses on the disposal take account of the carrying amount of goodwill relating to the entity sold.

(b) Software costs

Costs that are directly associated with identifiable and unique software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. All other costs associated with developing or maintaining computer software programmes are recognised as an expense when incurred. Software costs are stated at cost less accumulated amortisation and accumulated impairment losses. See policy Note H on impairment of assets.

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software costs recognised as assets are amortised using the straight-line method over their estimated useful economic lives (3 – 10 years). Amortisation is included in cost of sales, administrative expenses and marketing and distribution costs as appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

G Intangible Assets (Cont'd.)

(c) Other intangible assets

Other intangible assets representing purchased legal rights are capitalised, where fair value can be reliably measured. Other intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. See policy Note H on impairment of assets. The costs of other intangible assets are amortised on a straight-line basis over the estimated useful economic lives of the assets (not exceeding 20 years). Amortisation is included in administrative expenses.

H Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation or depreciation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows Cash-Generating Units (CGU).

The impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. In respect of other assets, any subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a re-valued asset in which case it is taken to revaluation surplus.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

I Leases

(a) Finance leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included as liabilities. The obligations relating to finance leases, net of finance charges in respect of future periods, are determined at the inception of the lease and are included in borrowings. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest over the lease period.

The property, plant and equipment acquired under finance leases are depreciated over the shorter of the estimated useful lives of the assets or the lease terms.

(b) Operating leases

Leases where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the leases.

J Turnaround Channel Transmission Rights

The cost of turnaround channels (programme provider fees), where the Group has immediate transmission rights is expensed as incurred.

Notes to the Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

K Inventories

Inventories which principally comprise set-top boxes and consumable items are stated at the lower of cost and net realisable value. Cost is determined based on the weighted average cost method. Net realisable value of the set-top boxes reflects the value to the business of the set-top boxes in the hands of the customer. The cost of set-top boxes is charged to cost of sales when the set-top boxes are delivered to the customer. Where appropriate, allowance is made for obsolete or slow-moving inventory based on management's analysis of inventory levels and future sales forecasts.

L Receivables

Receivables are recognised initially at fair value and subsequently measured at cost, less provision for impairment losses. A provision for impairment losses of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision for impairment losses is recognised in the income statement.

The Group provides for the credit risk inherent in its receivables by monitoring the level of arrears and providing an appropriate level of provision for impairment losses based on the amount and extent of arrears.

Bad debts are written off once it has been determined that the receivables cannot be recovered.

M Cash and Cash Equivalents

Cash and cash equivalents are carried at the balance sheet at cost. Cash and cash equivalents consist of cash in hand, cash at bank and deposits held at call with banks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

N Share Capital

Classification

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

Share issue costs

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from proceeds.

Dividend

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or in the case of interim dividends, when the dividends are approved by the Board of Directors.

O Trade Payables and Borrowings

Trade payables are recognised initially at fair value subsequently measured at amortised cost using the effective interest method.

Borrowings are initially stated at the proceeds received, net of transaction costs and when they relate to private debt securities, are stated net of discounts. Borrowings are subsequently stated at amortised cost using the effective yield method; any difference between the initial carrying value and the redemption value is recognised in the income statement using the effective yield method over the period of the borrowings.

P Current and Deferred Taxation

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits. Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred tax. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

P Current and Deferred Taxation (Cont'd.)

Deferred tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly-controlled entities except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Q Employee Benefits

(a) Short term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by the employees of the Group.

(b) Defined contribution plans

The Group pays contributions to publicly administered pension plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligation. The regular contributions are accounted for on an accrual basis.

(c) Share-based compensation

The Group operates equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to Other Reserve in equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

Q Employee Benefits (Cont'd.)

(d) Termination benefits

Termination benefits may be paid whenever an employee's employment is terminated before the normal retirement date. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an invitation made to encourage voluntary redundancy.

R Contingent Liabilities and Assets

Contingent liabilities are disclosed in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstances where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group discloses the existence of contingent assets where inflows of economic benefits are probable, but not virtually certain.

S Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is more likely than not that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

T Revenue Recognition

Subscription revenue derived from satellite television services are recognised as earned over the period the services are provided.

Subscription revenue received prior to services being provided are recognised as unearned revenue.

Advertising revenues, derived from the placement of commercials on the satellite television and radio networks and advertising revenues from sale of advertising space in magazines are recognised in the period during which the commercials are aired and advertisements are published respectively, net of advertising commissions.

Licensing income is recognised upon the delivery of master tapes and related materials or when services are rendered in accordance with the terms of the underlying contracts.

Sale of set-top boxes, video products and magazines are recognised on the transfer of risks and rewards of ownership which generally coincides with the time when the related products are delivered to customers and title has passed.

Revenue from the sale of film library and programme rights is recognised in the period the rights are available to the licensee.

Revenue of the Company consists of accretion of RCPS yield income, dividend income and management fees. Accretions of RCPS yield income and dividend income are recognised when the right to receive payment is established. Management fees are recognised as earned over the period the services are provided.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

U Segmental Reporting

Business segments are groups of operations which provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those operating in other economic environments. The allocation of costs between segments is based on the products and services of the specific segments which incur such costs.

This reflects the fact that the risks and returns of the Group's operations are primarily based on its business activities.

V Financial Assets

(i) Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss ('FVTPL'), loans and receivables, held to maturity and available-for-sale financial assets. The classification depends on the purpose for which the financial asset was acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at FVTPL

Financial assets at FVTPL are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets. They are included in Receivables and Prepayments in the balance sheet at amortised cost (Note 22).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

V Financial Assets (Cont'd.)

(ii) Recognition and measurement

Purchases and sales of financial assets are recognised on the trade date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at FVTPL. Financial assets carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all the risk and rewards of ownership.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in fair value of the security below its cost is considered as an indicator that the securities are impaired. If such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

W Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

W Derivative financial instruments and hedging activities (Cont'd.)

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 23. Movements on the hedging reserve in shareholders' equity are shown in the Statements of Changes in Equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

(i) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss. However, when a forecast transaction that is hedged results in the recognition of a non-financial asset, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(ii) Derivatives at FVTPL

Changes in the fair value of derivative financial instrument that do not qualify for hedge accounting are recognised in income statement as they arise.

Derivatives embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risk and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with unrealised gains or losses reported in income statement.

3. FINANCIAL RISK MANAGEMENT

Financial Risk Factors

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity and cash flow risk. The Group's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group.

The Group uses derivative financial instruments such as forward foreign currency exchange and interest rate swap contracts to hedge certain exposures.

(a) Foreign currency exchange risk

The Group operates internationally and is exposed to foreign currency exchange risk as a result of the foreign currency transactions and borrowings entered into by the group companies in currencies other than their functional currencies. Forward foreign currency exchange contracts are used to limit exposure to currency fluctuations on foreign currency receivables and payables, and on cash flows generated from anticipated transactions denominated in foreign currencies.

(b) Interest rate risk

The Group's interest rate exposure arises principally from the Group's trade payables and borrowings. The interest rate risk is managed through the use of fixed and floating interest rate debt and derivative financial instruments. The Group has used interest rate swaps as cash flow hedges of future interest payments.

(c) Credit risk

The Group has no significant concentration of credit risk with individual counter-parties. Customer credit risk exposure is managed with a combination of credit limits and arrears monitoring procedures. Deposits of cash are placed only with financial institutions with strong short-term credit rating or are appropriately supervised or regulated.

3. FINANCIAL RISK MANAGEMENT (CONT'D.)

Financial Risk Factors (Cont'd.)

(d) Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group's Treasury aims at maintaining flexibility in funding by keeping committed credit lines available and if necessary, obtaining additional debt funding.

(e) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is shown as total equity as shown in the consolidated balance sheet plus net debt.

(f) Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

Further details on financial risks are disclosed in Note 32.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Revenue recognition

The Group recognises revenue when the significant risks and rewards of ownership of any goods and services have been transferred. See Note 2T of the significant accounting policies for details of revenue recognition policies.

(b) Estimated impairment of receivables

The Group provides for impairment of receivables when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. This calculation of impairment requires the use of estimates.

(c) Share-based payment

The cost of providing share-based payments to employees is charged to the income statement over the vesting period of the related share options or share allocations. The cost is based on the fair value of the options or shares allocated and the number of options expected to vest. The fair value of each option or share is determined using the Binomial option pricing model. For details of assumptions, see Note 28 of the financial statements.

(d) Customer acquisition costs

Customer acquisition costs are incurred in activating new customers in the multi-channel subscription television service and include sales and marketing related expenses and subsidised set-top box equipment costs. The subsidies on set-top boxes represent the difference between set-top box costs and set-top box revenues which are recognised in accordance with significant accounting policies stated in Note 2K and Note 2T respectively.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

(e) Carrying value of film library and programme rights

The Group assesses annually whether film library and programme rights have any indication of impairment in accordance with the accounting policy stated in Note 2H. During the financial year, the Group has performed an impairment test over the carrying value of film library and programme rights within the library licensing and distribution and television programming segments of RM173.2 million and RM76.0 million respectively.

Discounted cash flow ('DCF') models were prepared to determine the recoverable amounts based on the "value-in-use" approach using the business plans of these segments which are based on past experience as well as future expected market trends. The DCF models confirm that the carrying values of the film library and programme rights of these segments are not impaired.

The value-in-use calculation is highly dependent on forecast licensing income to be derived from film library and programme rights. Should the annual licensing income reduce by five percent or more, the fair value of the film library and programme rights will be lower than the carrying value.

(f) Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular entities in which the deferred tax assets have been recognised. The composition of the deferred tax assets recognised by the Group and the Company are as disclosed in Note 17 to the financial statements.

(g) Investments accounted for using the equity method

The Group monitors investments accounted for using the equity method on a regular basis and assesses whether an indication of impairment exists. Where an indication of impairment exists, the Group has performed an impairment test over the carrying value of the investments accounted for using the equity method.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

(g) Investments accounted for using the equity method (Cont'd.)

The Group carried out the impairment test using the DCF method to derive the "value-in-use" of the CGU to which the investment is allocated to which requires the Group to make an estimation of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying value of investments accounted for using the equity method at the balance sheet date is detailed in Note 16.

(h) Cessation of the DTH business proposal in Indonesia

As disclosed in Note 39 to the financial statements, the Board has considered the carrying value of certain assets and commitments previously associated with the Indonesian venture.

Correspondingly, the Group has recorded impairment of assets and provisions pertaining to onerous obligations/commitments for costs to be incurred in relation to the cessation of the DTH business proposal in Indonesia. The amounts recorded are based on managements' best estimate of the Group's obligations/commitments pertaining to the cessation of the DTH business proposal in Indonesia.

During the financial year, the Group recorded RM687.4 million (FY 2008: RM227.4 million) for the amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development as stated in Note 7 to the financial statements.

5. SEGMENT INFORMATION

(a) Primary reporting format – business segments

The Group is organised into the following business segments:

Malaysian multi-channel television – provides multi-channel DTH subscription television and related interactive television services in Malaysia.

Radio – provides radio broadcasting services.

Library licensing and distribution – the ownership of a library of Chinese filmed entertainment and the aggregation and distribution of the library and related content.

Television programming – the creation, aggregation and distribution of television programmes and content.

Others – a magazine publishing business; interactive content business for the mobile telephony platform; Malaysian film production business; talent management; creation of animation content; ownership of buildings, Group's regional investments in media businesses and investment holding companies.

5. SEGMENT INFORMATION (CONT'D.)

(a) Primary reporting format – business segments (Cont'd.)

	2009					
	Malaysian multi-channel television RM'000	Radio RM'000	Library licensing and distribution RM'000	Television programming RM'000	Others RM'000	Total RM'000
Revenue						
Total revenue	2,657,399	181,710	82,404	233,716	416,182	3,571,411
Inter-segment revenue	(63)	(1,216)	(29,812)	(213,753)	(355,107)	(599,951)
External revenue	2,657,336	180,494	52,592	19,963	61,075	2,971,460
Segment results						
Total gross segment results	593,682	72,151	(33,148)	(56,283)	202,492	778,894
Inter-segment results						(252,704)
						526,190
Amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development	–	–	–	–	–	(687,419)
Loss from operations						(161,229)
Finance cost (net)						(131,031)
Share of post tax results from investments accounted for using the equity method	–	–	–	–	(80,113)	(80,113)
Loss before taxation						(372,373)
Taxation						(158,079)
Loss for the year						(530,452)

Notes to the Financial Statements

5. SEGMENT INFORMATION (CONT'D.)

(a) Primary reporting format – business segments (Cont'd.)

	2008					
	Malaysian multi-channel television RM'000	Radio RM'000	Library licensing and distribution RM'000	Television programming RM'000	Others RM'000	Total RM'000
Revenue						
Total revenue	2,325,273	168,993	86,785	182,703	405,604	3,169,358
Inter-segment revenue	(1,044)	(2,355)	(28,213)	(175,575)	(360,473)	(567,660)
External revenue	2,324,229	166,638	58,572	7,128	45,131	2,601,698
Segment results						
Total gross segment results	490,950	63,642	(28,960)	(40,109)	168,442	653,965
Inter-segment results						(225,218)
						428,747
Amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development	–	–	–	–	–	(227,408)
Profit from operations						201,339
Finance income (net)						31,023
Share of post tax results from investments accounted for using the equity method	–	–	–	–	(95,731)	(95,731)
Profit before taxation						136,631
Taxation						(148,501)
Loss for the year						(11,870)

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

Segment results represent the segment revenue less segment expenses, comprising expenses directly attributable and allocated to the segment. Certain components included within inter-segment results eliminate against the relevant income/expenditure recorded below the segment results line or against assets or liabilities.

Unallocated finance cost/income (net) comprises interest income, net of interest on bank borrowings, finance leases liabilities and certain debt service and other finance costs.

5. SEGMENT INFORMATION (CONT'D.)

(a) Primary reporting format – business segments (Cont'd.)

	2009					
	Malaysian multi-channel television RM'000	Radio RM'000	Library licensing and distribution RM'000	Television programming RM'000	Others RM'000	Total RM'000
Other information						
Segment assets	1,504,192	102,473	243,588	165,948	249,052	2,265,253
Investments accounted for using the equity method	–	–	–	–	526,848	526,848
Unallocated assets						
– Deposits with licensed banks & financial institutions						949,725
– Deferred tax assets						129,741
– Tax recoverable						2,510
						1,081,976
Total assets						3,874,077
Segment liabilities	925,877	43,871	21,382	445,331	91,371	1,527,832
Unallocated liabilities						
– Borrowings (interest bearing)						1,531,014
– Current tax liabilities						3,188
– Deferred tax liabilities						12,503
						1,546,705
Total liabilities						3,074,537
Other segment items						
Property, plant and equipment:						
– Additions	94,204	2,534	530	11,667	6,953	115,888
– Depreciation	83,532	4,308	679	7,714	7,196	103,429
Film library and programme rights and intangible assets:						
– Additions	135,717	4	31,358	173,871	18,266	359,216
– Amortisation	106,329	6,267	52,440	96,222	13,032	274,290
– Impairment	–	–	–	6,522	–	6,522
Impairment of receivables	47,292	700	–	3,346	3,896	55,234

Notes to the Financial Statements

5. SEGMENT INFORMATION (CONT'D.)

(a) Primary reporting format – business segments (Cont'd.)

	2008					
	Malaysian multi-channel television RM'000	Radio RM'000	Library licensing and distribution RM'000	Television programming RM'000	Others RM'000	Total RM'000
Other information						
Segment assets	1,313,620	102,731	241,479	197,276	208,763	2,063,869
Investments accounted for using the equity method	–	–	–	–	387,722	387,722
Unallocated assets						
– Deposits with licensed banks & financial institutions						905,511
– Deferred tax assets						255,957
– Tax recoverable						1,786
						1,163,254
Total assets						3,614,845
Segment liabilities	872,617	47,236	31,650	104,467	137,139	1,193,109
Unallocated liabilities						
– Borrowings (interest bearing)						786,571
– Current tax liabilities						4,003
– Deferred tax liabilities						10,727
						801,301
Total liabilities						1,994,410
Other segment items						
Property, plant and equipments:						
– Additions	774,012	6,229	313	27,337	3,227	811,118
– Depreciation	78,337	4,232	1,113	5,956	6,829	96,467
Film library and programme rights and intangible assets:						
– Additions	111,640	–	43,713	139,339	18,146	312,838
– Amortisation	116,755	3,255	50,095	71,342	10,707	252,154
– Write -off	–	–	–	–	5,386	5,386
Impairment of receivables	34,428	1,284	–	–	1,670	37,382

5. SEGMENT INFORMATION (CONT'D.)

(a) Primary reporting format – business segments (Cont'd.)

Segment assets consist primarily of property, plant and equipment, associates, jointly controlled entities, available for sales financial assets, intangible assets, inventories, receivables and prepayments and cash and bank balances. Unallocated assets consist of deposits with licensed banks and financial institutions, deferred tax assets and tax recoverable, which cannot be directly attributed to a particular segment.

Segment liabilities comprise payables and provision for liabilities and charges. Unallocated liabilities consist of borrowings, deferred tax liabilities and tax liabilities.

(b) Secondary reporting format – geographical segments

The Group's geographical segments are:

Malaysia – comprises the multi-channel DTH subscription television and related interactive television business, radio broadcasting services, magazine publishing business, interactive content business for the mobile telephony platform, film production business, talent management, ownership of buildings and investment holding companies.

Hong Kong – comprises the ownership of a library of Chinese filmed entertainment, the aggregation and distribution of the library and related content, a publishing business and investment holding companies.

Others – represents investments in businesses outside Malaysia and Hong Kong that provide multi-channel DTH subscription television, radio broadcasting, creation of animation content, television content aggregation and distribution and investment holding companies.

In determining the geographical segments of the Group, sales are based on the geographical location in which the customers are located. Total assets, capital expenditure, film library and programme rights additions and other intangible assets additions are determined based on the geographical location of the assets.

5. SEGMENT INFORMATION (CONT'D.)

(b) Secondary reporting format – geographical segments (Cont'd.)

	2009 RM'000	2008 RM'000
Revenue		
Malaysia	**2,864,349**	2,511,163
Hong Kong	**17,835**	26,854
Others	**89,276**	63,681
	2,971,460	2,601,698
Total assets		
Malaysia	**1,811,265**	1,789,935
Hong Kong	**280,985**	287,441
Others	**699,851**	374,215
Unallocated		
– Deposits with licensed banks & financial institutions	**949,725**	905,511
– Deferred tax assets	**129,741**	255,957
– Tax recoverable	**2,510**	1,786
	1,081,976	1,163,254
	3,874,077	3,614,845
Property, plant and equipment additions*		
Malaysia	**103,224**	810,597
Hong Kong	**546**	461
Others	**12,118**	60
	115,888	811,118
Film library and programme rights and intangible assets additions		
Malaysia	**153,718**	180,064
Hong Kong	**31,508**	43,753
Others	**173,990**	89,021
	359,216	312,838

* *Includes items acquired by means of finance lease.*

Notes to the Financial Statements

6. REVENUE

Revenue comprises the invoiced value for the sale of goods and services net of sales and service taxes, rebates and discounts, and after eliminating sales within the Group.

Revenue comprises the following:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Subscription revenue	**2,459,409**	2,148,124	**–**	–
Advertising revenue	**349,693**	319,243	**–**	–
Licensing income	**66,037**	66,598	**–**	–
Sale of set-top boxes	**12,608**	21,043	**–**	–
Sale of film library and programme rights	**23,685**	11,177	**–**	–
Others	**60,028**	35,513	**–**	–
Dividend income	**–**	–	**229,654**	197,335
RCPS yield	**–**	–	**22,800**	22,800
Management fees	**–**	–	**55,431**	55,151
	2,971,460	2,601,698	**307,885**	275,286

7. (LOSS)/PROFIT FROM OPERATIONS

The following items have been charged/(credited) in arriving at the (loss)/profit from operations:

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Programme provider fees		**630,244**	489,587	**–**	–
Inventories recognised as expenses		**321,981**	261,297	**–**	–
Film library and programme rights	19				
– Amortisation		**234,641**	203,217	**–**	–
– Impairment		**6,522**	–	**–**	–
Intangible assets:	20				
– Amortisation		**39,649**	31,268	**1,832**	68
Marketing and market research expenses		**113,065**	102,178	**–**	–
Property, plant and equipment	15				
– Depreciation		**103,429**	96,467	**1,452**	247
Impairment of investment in subsidiaries	37(b)	**–**	–	**282,798**	–
Impairment of receivables		**55,234**	37,382	**–**	–
Impairment of amounts due from subsidiaries	38(a)	**–**	–	**336,857**	–
Rental expense:					
– land and buildings		**31,573**	20,510	**2,069**	1,935
– equipment		**6,594**	14,034	**–**	–
Bad debts recovered		**(685)**	(4,409)	**–**	–

7. (LOSS)/PROFIT FROM OPERATIONS (CONT'D.)

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Rental income of land and buildings		**(628)**	(484)	**–**	–
Amount related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development		**687,419**	227,408	**–**	–
– Provisions for commitments and onerous obligations and other expenses		**402,110**	167,825	**–**	–
– Impairment of inventory		**130,754**	–	**–**	–
– Impairment and amortisation of film library and programme rights	19	**108,118**	59,583	**–**	–
– Impairment of intangible assets	20	**925**	–	**–**	–
– Impairment of property, plant & equipment	15	**45,512**	–	**–**	–
Other operating expenses					
– Corporate Responsibility programme costs		**10,212**	3,307	**4,092**	3,307

7. (LOSS)/PROFIT FROM OPERATIONS (CONT'D.)

Auditors' Remuneration

PricewaterhouseCoopers LLP ('PwC') are the Group's external auditors for the financial year under review and are subject to re-appointment at the Annual General Meeting ('AGM'). The aggregate fees for professional services rendered by PwC and other member firms are detailed below:

	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Audit of Group and Company financial statements	**646**	606	**646**	606
Fees payable to PwC and other member firms for other services:				
– audit of subsidiary companies pursuant to legislation*	**1,433**	1,428	**–**	–
– tax services	**727**	412	**527**	231
– services relating to corporate finance transactions	**25**	–	**25**	–
– other services pursuant to legislation	**21**	34	**21**	34
– other services**	**4,693**	7,090	**2,763**	1,490
	7,545	9,570	**3,982**	2,361

* *Includes the Group's overseas subsidiaries*

** *Includes quarterly reviews, other attestation services, and advisory reviews/services*

Notes to the Financial Statements

8. DIRECTORS' REMUNERATION

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Fees	**1,229**	812	**1,219**	802
Salaries and emoluments	**2,650**	2,879	**2,632**	2,807
Share-based payment	**1,790**	384	**1,790**	384
Defined contribution plan	**330**	353	**330**	353
	5,999	4,428	**5,971**	4,346
Highest paid Director				
– Salaries and emoluments	**2,318**	2,516	**2,318**	2,516
– Share-based payment	**1,790**	384	**1,790**	384
– Defined contribution plan	**330**	353	**330**	353
	4,438	3,253	**4,438**	3,253

The number of options over ordinary shares granted to a Director in respect of the Company's 2003 ESOS and MSIS during the financial year ended 31 January 2009 were 1,458,400 and Nil (2008: 1,477,800 and Nil) respectively.

The highest paid Director has not exercised any share options during the financial year.

9. EMPLOYEES (INCLUDING EXECUTIVE DIRECTOR'S REMUNERATION)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Wages and salaries	**279,992**	299,084	**23,298**	33,345
Employee benefits in kind	**19,929**	16,669	**2,413**	2,151
Social security costs	**2,458**	3,659	**101**	108
Share-based payment	**13,898**	25,266	**1,708**	5,079
Defined contribution plan	**39,694**	31,789	**3,419**	3,265
	355,971	376,467	**30,939**	43,948
Recruitment costs	**1,797**	3,751	**190**	1,812
Termination benefits	**1,174**	5,652	**–**	–
Staff training	**6,035**	5,542	**2,836**	2,191
Others	**792**	–	**–**	–
	365,769	391,412	**33,965**	47,951

The companies operating in Malaysia and Hong Kong are required by law to contribute a fixed percentage of each employee's salary to publicly administered defined contribution pension plans for the employees' retirement.

The average number of persons employed by the Group and Company was as follows:

	Group		Company	
	2009	2008	2009	2008
Malaysian operations				
– Corporate	**185**	158	**185**	158
– Multi-channel television	**2,967**	2,525	**–**	–
– Radio	**326**	302	**–**	–
– Others*	**1,010**	791	**–**	–
	4,488	3,776	**185**	158
Regional operations	**171**	185	**–**	–
	4,659	3,961	**185**	158

* *Including multi-media interactive services, as well as television content creation, aggregation and distribution business segments.*

10. FINANCE COSTS AND FINANCE INCOME

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
(a) Finance Costs				
Interest costs:				
– Bank borrowings	**(28,045)**	(1,782)	**(20,945)**	(1,236)
– Finance lease liabilities	**(37,306)**	(26,903)	**–**	–
– Vendor financing	**(24,451)**	(18,540)	**–**	–
– Advances from subsidiaries	**–**	–	**(7,089)**	–
	(89,802)	(47,225)	**(28,034)**	(1,236)
Debt service and other finance costs	**(10,420)**	(15,110)	**(8,128)**	(12,264)
Unrealised foreign exchange losses	**(83,696)**	–	**–**	(13,216)
	(183,918)	(62,335)	**(36,162)**	(26,716)
(b) Finance Income				
Interest income	**36,299**	38,353	**47,617**	33,707
Realised foreign exchange gains	**10,113**	15,195	**2,443**	3,511
Unrealised foreign exchange gains	**–**	30,299	**2,968**	–
Gain/(loss) from realisation of forward foreign exchange rate contracts	**7,680**	(137)	**–**	–
(Loss)/gain from realisation of interest rate swap contract	**(1,205)**	9,648	**–**	9,648
	52,887	93,358	**53,028**	46,866
Finance (costs)/income (net)	**(131,031)**	31,023	**16,866**	20,150

11. TAXATION

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current taxation				
Malaysian income tax				
– Current year	**(21,983)**	(9,533)	**–**	(2,917)
– (Under)/Over accrual in prior years	**(8,024)**	187	**(982)**	(1,273)
	(30,007)	(9,346)	**(982)**	(4,190)
Foreign income tax – current year	**(138)**	(433)	**–**	–
	(30,145)	(9,779)	**(982)**	(4,190)
Deferred taxation				
Origination and reversal of temporary differences (Note 17)	**(127,934)**	(128,546)	**(1,589)**	552
Change in Malaysian tax rate	**–**	(10,176)	**–**	427
	(127,934)	(138,722)	**(1,589)**	979
	(158,079)	(148,501)	**(2,571)**	(3,211)

The Group has not applied for group relief in Malaysia and other foreign countries in which the subsidiaries operate as the Company and its subsidiaries either did not meet the qualifying criteria for group relief or there were no immediate tax benefits.

The Company is a Malaysian tax resident as the control and management of its activities is exercised in Malaysia and is subject to the Malaysian taxation rules and regulations. The subsidiaries are subject to corporate income tax according to the tax laws of jurisdiction in which the entities operate in.

Notes to the Financial Statements

11. TAXATION (CONT'D.)

A reconciliation of income tax expense applicable to profit or loss before taxation at the statutory rate to income tax expense at the effective income tax rate of the Group and Company are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
(Loss)/profit before taxation	**(372,373)**	136,631	**(371,315)**	209,615
Tax at Malaysia statutory tax rate of 25% (FY2008: 26%)	**93,093**	(35,524)	**92,829**	(54,500)
Tax effect of:				
Different tax rates in other countries	**(16,262)**	(11,912)	**–**	–
Losses in foreign subsidiaries which were not available for tax relief at Group level	**(161,108)**	(57,187)	**–**	–
Change in Malaysian tax rate	**–**	(10,176)	**–**	427
Share of post tax results from investments accounted for using the equity method	**(20,028)**	(29,349)	**–**	–
Expenses not deductible for tax purposes	**(53,768)**	(33,459)	**(91,846)**	(8,850)
Income not subject to tax	**5,481**	13,637	**–**	62,318
Tax exempt income due to pioneer status	**18,717**	15,817	**–**	–
Unrecognised deferred tax assets arising during the year	**(19,228)**	(15,595)	**–**	–
Previously unrecognised temporary differences	**3,048**	15,060	**(2,572)**	(1,333)
(Under)/Over accrual in prior years	**(8,024)**	187	**(982)**	(1,273)
Taxation	**(158,079)**	(148,501)	**(2,571)**	(3,211)

11. TAXATION (CONT'D.)

Malaysian income tax is calculated at the statutory rate of 25% (FY2008: 26%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Deferred tax is calculated on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

The Group's effective tax rate is higher than the statutory tax rate mainly due to losses in foreign subsidiaries, associates, overseas investments and certain Malaysian subsidiaries which were not available for tax relief at Group level and non-deductibility of certain operating expenses for tax purposes.

12. DIVIDENDS

During the financial year ended 31 January 2009, the following dividends were paid:

	2009 RM'000	2008 RM'000
Third interim dividend of 3.0 sen per share consisting of gross dividend of 2.7 sen per share less 25% Malaysian income tax and tax exempt dividend of 0.3 sen per share in respect of financial year ended 31 January 2008, paid on 24 April 2008	**44,966**	–
Final tax exempt dividend of 2.0 sen per share in respect of financial year ended 31 January 2008, paid on 29 August 2008 (FY2008: Final tax exempt dividend of 3.0 sen per share in respect of financial year ended 31 January 2007)	**38,681**	58,021
First interim tax exempt dividend of 2.5 sen per share in respect of financial year ended 31 January 2009, paid on 31 July 2008 (FY2008: First interim tax exempt dividend of 2.0 sen per share in respect of financial year ended 31 January 2008)	**48,351**	38,680
Second interim tax exempt dividend of 2.5 sen per share in respect of financial year ended 31 January 2009, paid on 23 October 2008 (FY2008: Second interim tax exempt dividend of 3.0 sen per share in respect of financial year ended 31 January 2008, paid on 14 January 2008)	**48,351**	58,021
Third interim tax exempt dividend of 2.5 sen per share in respect of financial year ended 31 January 2009, paid on 21 January 2009	**48,351**	–
Second interim tax exempt dividend of 2.0 sen per share in respect of financial year ended 31 January 2007, paid on 27 April 2007	**–**	38,669
	228,700	193,391

12. DIVIDENDS (CONT'D.)

The Directors also recommend a final tax exempt dividend payment of 2.5 sen per share estimated at RM48,350,890 in respect of the financial year ended 31 January 2009 subject to the approval of the Company's shareholders at the forthcoming AGM. The final tax exempt dividend will be paid on a date to be determined.

13. EARNINGS PER SHARE

Basic earnings per share of the Group is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

Diluted earnings per share of the Group is calculated by dividing the net profit attributable to equity holders by the weighted average number of ordinary shares, adjusted for the assumed conversion of all dilutive potential ordinary shares arising from the share options granted under the ESOS and MSIS.

	2009	**2008**
Loss attributable to equity holders of the Company (RM'000)	**(529,187)**	(6,158)
Weighted average number of ordinary shares ('000)	**1,934,036**	1,933,769
Adjustment for share options granted ('000)	**630**	2,390
Adjusted weighted average number of ordinary shares ('000)	**1,934,666**	1,936,159
Basic earnings per share (sen)	**(27.36)**	(0.32)
Diluted earnings per share (sen)	**N/A***	N/A*

* *Not applicable as the options under the ESOS and MSIS are anti-dilutive and would decrease the loss per share for the financial year.*

Notes to the Financial Statements

14. NOTES TO THE CASH FLOW STATEMENTS

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
(a) Adjustments for non-cash items					
Contra arrangements – revenue		**(4,843)**	(4,486)	**–**	–
Value of employee services – share options	9	**13,898**	25,266	**1,708**	5,079
Interest income	10	**(36,299)**	(38,353)	**(47,617)**	(33,707)
Interest expense	10	**89,802**	47,225	**28,034**	1,236
Loss/(gain) from realisation of interest rate swap contract	10	**1,205**	(9,648)	**–**	(9,648)
(Gain) / loss from realisation of forward foreign exchange rate contract	10	**(7,680)**	137	**–**	–
Unrealised foreign exchange losses/(gains)	10	**83,696**	(30,299)	**(2,968)**	13,216
Taxation	11	**158,079**	148,501	**2,571**	3,211
Property, plant and equipment					
– Depreciation	15	**103,429**	96,467	**1,452**	247
– Gain on disposal		**(8)**	(735)	**–**	–
– Impairment		**–**	9	**–**	5
Film library and programme rights					
– Amortisation	19	**234,641**	203,217	**–**	–
– Impairment	19	**6,522**	–	**–**	–
Intangible assets					
– Amortisation	20	**39,649**	31,268	**1,832**	68
Impairment of investment in subsidiaries		**–**	–	**282,798**	–
Impairment of amounts due from subsidiaries		**–**	–	**336,857**	–
Dilution of equity interest in a subsidiary		**–**	(253)	**–**	–
Amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development		**687,419**	227,408	**–**	–
– Provisions for commitments and onerous obligations and other expenses		**402,110**	167,825	**–**	–
– Impairment of inventory		**130,754**	–	**–**	–
– Impairment and amortisation of film library and programme rights	19	**108,118**	59,583	**–**	–
– Impairment of intangible assets	20	**925**	–	**–**	–
– Impairment of property, plant & equipment	15	**45,512**	–	**–**	–
Share of post tax results from investments accounted for using the equity method		**80,113**	95,731	**–**	–
RCPS yield		**–**	–	**(22,800)**	(22,800)
		1,449,623	791,455	**581,867**	(43,093)

14. NOTES TO THE CASH FLOW STATEMENTS

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
(b) Cash Flows Used in Investing Activities					
Investment in cumulative redeemable convertible preference shares	18	**–**	(3,000)	**–**	–
Purchase of investment accounted for using equity method	16	**(250,945)**	(420,791)	**–**	–
Capital repayment from an investee		**2,923**	–	**–**	–
Repayment of advance from an associate		**–**	2,104	**–**	–
Proceeds from disposal of associates		**–**	505	**–**	–
Proceeds from shares issued to minority interests		**2**	1,285	**–**	–
Proceeds from disposal of property, plant and equipment and intangibles		**522**	953	**–**	–
Purchase of property, plant and equipment and intangibles		**(174,138)**	(205,434)	**(12,154)**	(3,323)
Advance payments to subsidiaries		**–**	–	**(496,051)**	(349,169)
Repayment from subsidiaries		**–**	–	**–**	55,997
		(421,636)	(624,378)	**(508,205)**	(296,495)
(c) Cash Flows From / (Used in) Financing Activities					
Dividends paid	12	**(228,700)**	(193,391)	**(228,700)**	(193,391)
Interest paid		**(83,522)**	(49,566)	**(30,718)**	(12,264)
Drawdown of borrowings		**628,333**	266,803	**272,317**	200,730
(Payments) / Proceeds from realisation of interest rate swap contract		**(1,205)**	11,315	**–**	9,648
Proceeds / (Payments) from realisation of forward foreign exchange rate contract		**7,680**	(137)	**–**	–
Issuance of shares pursuant to exercise of share options		**11**	4,841	**11**	4,841
Repayment of borrowings		**(89,775)**	(97,390)	**–**	–
Advance from subsidiaries		**–**	–	**312,541**	–
		232,822	(57,525)	**325,451**	9,564

Notes to the Financial Statements

15. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Buildings RM'000	Satellite transponders RM'000	Equipment, fixtures and fittings RM'000	Broadcast and transmission equipment RM'000	Assets under construction RM'000	Total RM'000
At 1 February 2007							
Cost	10,586	173,855	249,305	200,109	554,778	12,633	1,201,266
Accumulated depreciation	–	(45,234)	(233,048)	(159,368)	(450,861)	–	(888,511)
Net book amount	10,586	128,621	16,257	40,741	103,917	12,633	312,755
Net book amount							
At 1 February 2007	10,586	128,621	16,257	40,741	103,917	12,633	312,755
Additions	–	28	637,530	36,731	70,767	66,062	811,118
Disposals	–	–	–	(143)	(35)	–	(178)
Transfers between classes	–	–	–	2,399	8,672	(11,071)	–
Transfers to inventories	–	–	–	–	(1,642)	–	(1,642)
Depreciation charge	–	(4,297)	(44,611)	(16,244)	(31,315)	–	(96,467)
Impairment	–	–	–	(9)	–	–	(9)
Currency translation differences	–	–	–	(230)	(82)	–	(312)
At 31 January 2008	10,586	124,352	609,176	63,245	150,282	67,624	1,025,265
At 31 January 2008							
Cost	10,586	173,097	886,835	232,023	630,948	67,624	2,001,113
Accumulated depreciation	–	(48,745)	(277,659)	(168,778)	(480,666)	–	(975,848)
Net book amount	10,586	124,352	609,176	63,245	150,282	67,624	1,025,265
Net book amount							
At 1 February 2008	10,586	124,352	609,176	63,245	150,282	67,624	1,025,265
Additions	–	–	–	38,400	52,213	25,275	115,888
Disposals	–	–	–	(514)	–	–	(514)
Transfers between classes	–	–	–	–	74,446	(74,446)	–
Depreciation charge	–	(4,439)	(43,513)	(19,928)	(35,549)	–	(103,429)
Impairment *	–	–	–	(524)	(43,705)	(1,283)	(45,512)
Currency translation differences	–	4	–	(1,336)	1,192	635	495
At 31 January 2009	**10,586**	**119,917**	**565,663**	**79,343**	**198,879**	**17,805**	**992,193**

* *The entire impairment charge for the year is related to the cessation of the DTH business proposal in Indonesia.*

15. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Group	Freehold land RM'000	Buildings RM'000	Satellite transponders RM'000	Equipment, fixtures and fittings RM'000	Broadcast and transmission equipment RM'000	Assets under construction RM'000	Total RM'000
At 31 January 2009							
Cost	**10,586**	**173,101**	**637,530**	**267,440**	**768,593**	**17,805**	**1,875,055**
Accumulated depreciation	**–**	**(53,184)**	**(71,867)**	**(188,097)**	**(569,714)**	**–**	**(882,862)**
Net book amount	**10,586**	**119,917**	**565,663**	**79,343**	**198,879**	**17,805**	**992,193**

During the financial year, the Group capitalised finance lease assets of RM11,702,000 (FY2008: RM637,530,000 is in respect of transponders on the Malaysia East Asia Satellite 3).

Details on finance lease liabilities are disclosed in Note 26 (b).

Company

Equipment, fixtures and fittings

	2009 RM'000	2008 RM'000
At 1 February		
Cost	**2,041**	1,478
Accumulated depreciation	**(867)**	(621)
Net book amount	**1,174**	857
Additions	**5,352**	565
Transfer from subsidiaries	**–**	4
Transfer between classes	**(13)**	–
Depreciation charge	**(1,452)**	(247)
Impairment	**–**	(5)
At 31 January	**5,061**	1,174
At 31 January		
Cost	**7,380**	2,041
Accumulated depreciation	**(2,319)**	(867)
Net book amount	**5,061**	1,174

16. INTEREST IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Group 2009 RM'000	Group 2008 RM'000
Investments, at cost	**604,054**	374,688
Long term advances and receivables	**349,056**	328,786
Cumulative post tax results and impairment losses	**(380,640)**	(300,527)
Unrealised foreign exchange difference	**(45,622)**	(15,225)
	526,848	387,722

The Group has not recognised losses for the current financial year amounting to RM428,000 (FY2008: RM2,425,000) for Advanced Wireless Technologies Sdn Bhd.('AWT'). The accumulated losses not recognised were RM6,819,000 (FY2008: RM6,391,000) as at 31 January 2009. These losses exceed the Group's interest in the associate.

Notes to the Financial Statements

16. INTEREST IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONT'D.)

The Group's interest in the assets, liabilities, income and expenses of the investments in equity accounted units, is as follows:

	2009 RM'000	2008 RM'000
Non-current assets	**626,227**	326,419
Current assets	**103,362**	161,437
Current liabilities	**(128,508)**	(63,738)
Non-current liabilities	**(74,233)**	(36,396)
Net assets	**526,848**	387,722
Revenue	**73,511**	53,207
Expenses	**(154,419)**	(150,349)
	(80,908)	(97,142)

Refer to Note 34 (a) for further details on the Group's commitment for investments in an associate and joint ventures.

Details of principal investments in equity accounted units, are as follows:

Name of company	Country of incorporation	Effective equity interest 2009 %	Effective equity interest 2008 %	Financial year end	Principal activities
TVB Publishing Holding Limited ('TVBPH')	Hong Kong	**26.3**	26.3	31 Dec	Investment holding
Advanced Wireless Technologies Sdn. Bhd. ('AWT')	Malaysia	**25.0**	25.0	31 Dec	Provision of wireless multimedia related services
Tiansheng AART Advertising Services Ltd ('TAAS')	China	*	49.0	31 Dec	Provision of advertising agency services
Sun Direct TV Private Limited ('Sun Direct TV')	India	**20.0**	20.0	31 Mar	Provision of DTH digital satellite broadcast pay-television services
Flexi Infosoftech Solutions Private Limited ('Flexi Infosoftech')	India	**21.5**	26.0	31 Mar	Provision of software services and other support services
Max Flexi Services Private Limited ('Max Flexi')	India	**45.2**	45.2	31 Mar	Provision of software services and other support services
Astro E.Com India Private Limited	India	**49.0**	49.0	31 Mar	Provision of internet services and other support services
EnetSys Web Solutions Private Limited	India	**44.5**	–	31 Mar	Provision of internet services and other support services
Mogae Digital Private Limited	India	**49.0**	–	31 Mar	Provision of internet services and other support services
Kristal-Astro Sdn. Bhd.	Brunei	**48.9**	48.9	31 Dec	Provision of DTH-digital satellite broadcast pay-television services

* *The company was de-registered on 15 April 2008.*

16. INTEREST IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONT'D.)

Investments in jointly controlled entities

(i) Sun Direct TV

During the financial year, South Asia Entertainment Holdings Ltd ('SAEHL', a wholly owned subsidiary of the Group) subscribed for a further 29,319,882 new shares in Sun Direct TV for a total cash consideration of INR2,333 million. As the new shares were subscribed proportionately with other shareholders in Sun Direct TV, SAEHL remains a shareholder with 20% interest in Sun Direct TV.

Capital commitment relating to investment in Sun Direct TV is shown in Note 34 (a).

(ii) Mogae Digital Private Limited

On 1 August 2008, Digital Software Exports Limited ('DSEL', a wholly owned subsidiary of the Group) subscribed for 98,000 new shares representing 49% equity interest in Mogae Digital Private Limited ('Mogae') for a cash consideration of INR1.0 million. DSEL also subscribed for 4,185,000 Class A Cumulative Convertible Preference Shares ("CCPS") and 4,273,490 Class B CCPS in Mogae for cash considerations of INR41.9 million and INR42.7 million respectively.

(iii) EnetSys Web Solutions Private Limited

On 21 August 2008, DSEL subscribed for 88,900 new shares representing 44.45% equity interest in EnetSys Web Solutions Private Limited ('EnetSys') for a cash consideration of INR0.9 million. DSEL also subscribed for 17,051,000 Class A CCPS in EnetSys for a cash consideration of INR170.5 million.

(iv) Max Flexi and Flexi Infosoftech

On 7 February 2008, South Asia Software Technologies Ltd's ('SAST', a wholly-owned subsidiary of the Group) equity interest in Flexi Infosoftech was diluted to 21.5% following subscription to new shares by other existing shareholders of Flexi Infosoftech.

On 27 February 2008, SAST subscribed for an additional 2,949,115 fully paid up CCPS of INR10 each in Max Flexi for INR29.5 million. This CCPS rank pari passu to all existing CCPS issued by Max Flexi.

17. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

	Group		Company	
	2009 RM'000	**2008 RM'000**	**2009 RM'000**	**2008 RM'000**
Deferred tax assets	**129,741**	255,957	**–**	–
Deferred tax liabilities	**(12,503)**	(10,727)	**(12,268)**	(10,679)
	117,238	245,230	**(12,268)**	(10,679)
At beginning of financial year	**245,230**	383,905	**(10,679)**	(11,658)
(Charged)/credited to income statement:				
– property, plant and equipment	**12,288**	(22,349)	**553**	18
– film library and programme rights	**(3,975)**	(5,042)	**–**	–
– tax losses	**(144,635)**	(109,620)	**–**	–
– provisions and accruals	**(1,667)**	12,418	**(360)**	666
– interest receivable	**(1,753)**	293	**(1,782)**	295
– impairment of receivables	**11,808**	(14,422)	**–**	–
	(127,934)	(138,722)	**(1,589)**	979
Other movement:				
– currency translation differences	**(58)**	47	**–**	–
At end of financial year	**117,238**	245,230	**(12,268)**	(10,679)

Notes to the Financial Statements

17. DEFERRED TAX (CONT'D.)

	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Deferred tax assets (before offsetting)				
Property, plant and equipment	**12,428**	11,172	**–**	–
Tax losses	**115,117**	259,752	**–**	–
Provisions and accruals	**14,707**	16,374	**849**	1,209
Impairment of receivables	**30,866**	19,058	**–**	–
	173,118	306,356	**849**	1,209
Offsetting	**(43,377)**	(50,399)	**(849)**	(1,209)
Deferred tax assets (after offsetting)	**129,741**	255,957	**–**	–
Deferred tax liabilities (before offsetting)				
Property, plant and equipment	**(31,394)**	(42,368)	**–**	(553)
Film library and programme rights	**(11,396)**	(7,421)	**–**	–
Interest receivable	**(13,090)**	(11,337)	**(13,117)**	(11,335)
	(55,880)	(61,126)	**(13,117)**	(11,888)
Offsetting	**43,377**	50,399	**849**	1,209
Deferred tax liabilities (after offsetting)	**(12,503)**	(10,727)	**(12,268)**	(10,679)
The deferred tax assets are expected to be reversed as follows:				
Within one year	**104,605**	151,505	**–**	–
After one year	**25,136**	104,452	**–**	–
Total deferred tax assets	**129,741**	255,957	**–**	–

17. DEFERRED TAX (CONT'D.)

The Directors have reviewed the business plans for the relevant subsidiaries and are of the opinion that sufficient taxable income will be generated in future financial years to utilise the tax losses and capital allowances carried forward.

The Group has the following amounts of tax losses, capital allowances and other temporary differences carried forward in relation to companies in Malaysia, Hong Kong and other countries for which the related tax effects have not been included in the financial statements:

	Group 2009 RM'000	Group 2008 RM'000
Tax losses carried forward	**472,849**	353,684
Capital allowances carried forward	**14,516**	1,183
Other temporary differences carried forward	**5,209**	6,211

In addition, certain Malaysian subsidiaries have unutilised investment tax allowances which amounted to approximately:

	Group 2009 RM'000	Group 2008 RM'000
Investment tax allowances	**25,613**	25,613

The benefits of unutilised tax losses, capital allowances and investment tax allowances can be carried forward indefinitely and will be obtained when the relevant subsidiaries derive future assessable income of a nature and of an amount sufficient for these carried forward tax losses, capital allowances and investment tax allowances to be utilised respectively.

18. FINANCIAL ASSET

Financial asset represents an investment in 3,000,000 cumulative redeemable convertible preference shares of RM1.00 each. This investment is classified as loans and receivables. The carrying amount of the investment approximates its fair value.

19. FILM LIBRARY AND PROGRAMME RIGHTS

	Group 2009 RM'000	Group 2008 RM'000
Cost	**1,430,773**	1,110,456
Accumulated amortisation and impairment	**(1,169,027)**	(805,459)
Production in progress	**15,190**	10,603
Net book amount	**276,936**	315,600
Net book amount		
At 1 February	**315,600**	322,199
Additions	**289,000**	278,888
Amortisation charge	**(234,641)**	(203,217)
Impairment	**(6,522)**	–
Amounts related to the costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development (Note 7)	**(108,118)**	(59,583)
Currency transalation differences	**21,617**	(22,687)
At 31 January	**276,936**	315,600

20. INTANGIBLE ASSETS

Grroup	Goodwill RM'000	Software costs RM'000	Others RM'000	Total RM'000
At 1 February 2007				
Cost	345	188,340	44,564	233,249
Accumulated amortisation and impairment	–	(82,599)	(15,300)	(97,899)
Net book amount	345	105,741	29,264	135,350
At 1 February 2007	345	105,741	29,264	135,350
Additions	–	33,950	–	33,950
Disposals	–	(40)	–	(40)
Amortisation charge	–	(24,943)	(6,325)	(31,268)
Currency translation differences	–	(54)	(801)	(855)
At 31 January 2008	345	114,654	22,138	137,137
At 31 January 2008				
Cost	345	220,916	42,686	263,947
Accumulated amortisation and impairment	–	(106,262)	(20,548)	(126,810)
Net book amount	345	114,654	22,138	137,137
Net book amount				
At 1 February 2008	345	114,654	22,138	137,137
Additions	–	70,216	–	70,216
Amortisation charge	–	(30,352)	(9,297)	(39,649)
Amounts related to the costs of cessation of the DTH business proposal in Indonesia (Note 7)	–	(925)	–	(925)
Currency translation differences	–	(3,895)	769	(3,126)
At 31 January 2009	345	149,698	13,610	163,653
At 31 January 2009				
Cost	345	287,344	44,645	332,334
Accumulated amortisation and impairment	–	(137,646)	(31,035)	(168,681)
Net book amount	**345**	**149,698**	**13,610**	**163,653**

Notes to the Financial Statements

20. INTANGIBLE ASSETS (CONT'D.)

Company	Software costs 2009 RM'000	2008 RM'000
At 1 February		
Cost	**4,864**	2,126
Accumulated amortisation	**(128)**	(67)
Net book amount	**4,736**	2,059
Additions	**6,802**	2,758
Amortisation charge	**(1,832)**	(68)
Transfer to subsidiaries	**–**	(13)
Transfer between classes	**13**	–
At 31 January	**9,719**	4,736
At 31 January		
Cost	**11,679**	4,864
Accumulated amortisation	**(1,960)**	(128)
Net book amount	**9,719**	4,736

21. INVENTORIES

	Group 2009 RM'000	2008 RM'000
At cost		
Set-top boxes	**28,369**	30,207
Tapes and other materials	**10,776**	9,344
	39,145	39,551

22. RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade receivables	**443,981**	360,193	**–**	–
Impairment of trade receivables	**(121,961)**	(80,586)	**–**	–
Trade receivables – net	**322,020**	279,607	**–**	–
Other receivables, net of impairment	**156,875**	120,632	**5,236**	3,055
Amounts due from investments accounted for using the equity method	**20,190**	2,071	**–**	–
Amounts due from related parties	**26,621**	23,917	**365**	369
Prepayments	**153,829**	35,769	**87**	6,714
	679,535	461,996	**5,688**	10,138

Other receivables are stated net of impairment of RM3,868,000 (FY2008: RM1,402,000) at Group level. Amounts due from related parties are unsecured and have no fixed terms of repayment.

	Group 2009 RM'000	2008 RM'000
Movement in impairment of receivables		
At beginning of financial year	**81,988**	132,172
Charge for the year	**55,234**	37,382
Amounts written off	**(11,604)**	(87,439)
Currency translation differences	**211**	(127)
At end of financial year	**125,829**	81,988

Credit terms of trade receivables range from 0 to 60 days.

22. RECEIVABLES AND PREPAYMENTS (CONT'D.)

Total net receivables excluding prepayments were denominated in the following currencies:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Ringgit Malaysia ('RM')	**319,436**	285,204	**4,560**	2,094
United States Dollar ('USD')	**126,057**	71,244	**321**	343
Hong Kong Dollar ('HKD')	**38,246**	36,054	**40**	3
Indian Rupee ('INR')	**29,132**	25,222	**–**	559
Others	**12,835**	8,503	**680**	425
	525,706	426,227	**5,601**	3,424

23. DERIVATIVE FINANCIAL INSTRUMENTS

Group	2009		2008	
	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
Forward foreign currency exchange contracts – cash flow hedges	**2,440**	–	**–**	140
Interest-rate swap – cash flow hedges	**–**	23,647	**–**	–

Forward foreign currency exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 January 2009 were RM188,083,636 (FY2008: RM5,109,000).

Interest-rate swap

The notional principal amount of the outstanding interest rate swap contract at 31 January 2009 was RM363,549,500 (FY2008: Nil).

The maturity profiles of the derivative financial instruments are disclosed in Note 32(b) of the financial statements.

24. CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalents comprise the following:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deposits with licensed banks and financial institutions	**949,725**	905,511	**22,997**	81,831
Cash and bank balances	**108,351**	81,320	**323**	555
Cash and cash equivalents	**1,058,076**	986,831	**23,320**	82,386

Deposits of the Group and of the Company have an average maturity of 11 days (FY2008: 11 days) and 3 days (FY2008: 11 days) respectively for the financial year.

The effective interest rates per annum for deposits as at the end of the financial year are between 0.2% to 3.6% (FY2008: 2.8% to 4.8%). The effective interest rates per annum on deposits for the Company as at the end of financial year are between 0.2% to 3.5% (FY2008: 2.7% to 4.6%).

Deposits, cash and bank balances are denominated in the following currencies:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
RM	**986,018**	881,116	**6,633**	13,270
USD	**37,548**	77,440	**16,687**	69,116
HKD	**29,033**	25,069	**–**	–
Others	**5,477**	3,206	**–**	–
	1,058,076	986,831	**23,320**	82,386

Notes to the Financial Statements

25. PAYABLES

	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Current				
Trade payables and accruals	**430,824**	454,880	**–**	–
Other payables and accruals	**609,689**	386,584	**22,056**	15,562
Amounts due to investment accounted for using the equity method	**–**	46	**–**	–
Amounts due to related parties	**53,115**	48,683	**4,138**	3,641
Unearned revenue	**124,397**	132,579	**–**	–
	1,218,025	1,022,772	**26,194**	19,203
Non-current				
Trade payables and accruals	**268,351**	155,357	**–**	–
Amounts due to investment accounted for using the equity method	**290**	329	**–**	–
Amounts due to related parties	**17,519**	14,511	**–**	–
	286,160	170,197	**–**	–

The amounts due to related parties are unsecured, interest free and have no fixed terms of repayment.

Credit terms granted by vendors generally range from 0 to 90 days. Vendors of set-top boxes have granted extended payment terms of 24 months and 36 months ('vendor financing') on Usance Letter of Credit Payable at Sight ('ULCP') and also Promissory Notes ('PN') basis to the Group as set out below:

(i) Interest is charged for ULCP at the USD LIBOR or Ringgit Cost of Funds + margin of up to 0.6% per annum calculated at 360 or 365 days respectively from delivery date.

(ii) Interest is charged for PN at the USD LIBOR or Ringgit Cost of Funds + 0.5% per annum calculated at 360 or 365 days respectively from issuance date.

25. PAYABLES (CONT'D.)

The effective interest rates at the end of the financial year range between 1.8% and 6.6% (FY2008: 4.3% and 6.6%) per annum.

Total payables (excluding unearned revenue) were denominated in the following currencies:

	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
RM	**555,285**	860,876	**12,561**	16,359
USD	**648,738**	162,631	**9,832**	1,620
INR	**3,450**	1,895	**179**	–
EURO	**132,820**	1,046	**46**	91
HKD	**6,159**	20,083	**36**	2
Others	**33,336**	13,859	**3,540**	1,131
	1,379,788	1,060,390	**26,194**	19,203

26. BORROWINGS

		Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Current					
Bank loan (secured)	(a)	**3,866**	3,914	**–**	–
Finance lease liabilities (not later than 1 year)	(b)	**32,955**	17,240	**–**	–
USD Facilities (unsecured)	(c)	**356,890**	465	**356,890**	465
		393,711	21,619	**356,890**	465

26. BORROWINGS (CONT'D.)

		Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non-current					
Finance lease liabilities	(b)				
Later than 1 year but not more than 5 years		**151,294**	119,852	**–**	–
Later than 5 years		**461,973**	454,800	**–**	–
		613,267	574,652	**–**	–
USD Facilities (unsecured)	(c)	**160,622**	190,300	**160,622**	190,300
Syndicated term and revolving facilities	(d)	**363,414**	–	**–**	–
		1,137,303	764,952	**160,622**	190,300
		1,531,014	786,571	**517,512**	190,765
Total borrowings are denominated in the following currencies:					
RM		**646,222**	591,892	**–**	–
USD		**880,926**	190,765	**517,512**	190,765
Others		**3,866**	3,914	**–**	–
		1,531,014	786,571	**517,512**	190,765

The effective interest rates of the Group for borrowings at the end of the financial year range between 1.3% to 12.9 % (FY2008: 4.3% to 13%) per annum.

The effective interest rate of the Company for borrowings at the end of the financial year was 1.3% (FY2008: 5.5%).

26. BORROWINGS (CONT'D.)

(a) Bank loan (secured)

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

(b) Finance lease liabilities

Finance lease liabilities comprise the lease of transponders on the Malaysia East Asia Satellite 3 from MEASAT Satellite Systems Sdn Bhd, a related party.

The following is a summary of the minimum lease payments:

	Group	
	2009 RM'000	2008 RM'000
Minimum lease payments:		
Not later than 1 year	**71,077**	52,695
Later than 1 year and not more than 5 years	**283,913**	247,163
Later than 5 years	**586,410**	593,041
	941,400	892,899
Future finance charges on finance lease	**(295,178)**	(301,007)
Present value of lease rental obligation	**646,222**	591,892

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

(c) USD300 million Guaranteed Term and Revolving Facilities

On 18 April 2007, Tranche A (USD150 million) of the Company's USD300 million Guaranteed Term and Revolving Facilities secured on 18 October 2004 ('USD Facilities') lapsed. On 14 December 2007, the facility documentation was amended and the guarantees provided by MEASAT Broadcast Network Systems Sdn Bhd ('MBNS') and Airtime Management and Programming Sdn Bhd were released. With the amendment, availability of the balance USD Facilities is subject to annual extension up to the final maturity dates of 18 October 2009 (USD100 million) and 18 October 2010 (USD45 million).

Notes to the Financial Statements

26. BORROWINGS (CONT'D.)

(d) Syndicated term and revolving facilities

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

The Facilities comprise commitments in USD which are guaranteed by the Company and a proposed RM term loan facility to be obtained by the Company, aggregating up to a sum of USD300 million. The Facilities have a tenure of 5 years from the date of the agreement and can be utilised to meet the Group's funding requirements and general working capital.

The amount of the Facility that has been drawdown is hedged using interest-rate swaps as disclosed in Note 23 to the financial statements.

27. SHARE CAPITAL

	Group and Company	
	2009 RM'000	2008 RM'000
Authorised		
Ordinary shares of 10p each		
At beginning/end of financial year (3,000,000,000 ordinary shares)	**1,851,000**	1,851,000

	2009 RM'000	2008 RM'000
Issued and fully paid		
Ordinary shares of 10p each		
At beginning of financial year (1,934,032,561 (FY2008: 1,932,776,161) ordinary shares)	**1,200,049**	1,199,194
Shares issued pursuant to exercise of share options (3,000 (FY2008: 1,256,400) ordinary shares)	**2**	855
At end of financial year (1,934,035,561 (FY2008: 1,934,032,561) ordinary shares)	**1,200,051**	1,200,049

The issue of shares related to amounts issued through the ESOS for a cash consideration of RM11,000 (FY2008: RM4,841,000).

28. SHARE-BASED PAYMENT

2003 Employee Share Option Scheme ('ESOS') and 2003 Management Share Incentive Scheme ('MSIS') (collectively the 'Schemes')

The Company's ESOS and MSIS came into effect on 22 October 2003 for a period of 10 years. These Schemes are governed by the 2003 Bye-Laws, which were approved by the Board of Directors and Shareholders of the Company on 29 September 2003.

The main features of the ESOS and MSIS are as follows:

- The total number of shares which may be issued by the Company shall not exceed in aggregate 10% of the Company's issued and fully paid share capital at any time during the existence of these Schemes.
- The total number of shares which may be issued under options granted under these Schemes to executive directors and members of senior management of the Company and its subsidiaries shall not exceed in aggregate 50% of the shares available under these Schemes.
- The total number of shares which may be issued under options granted under these Schemes to any employee who, either singly or collectively through his/her associates, holds 20% or more in the issued and fully paid share capital of the Company shall not exceed in aggregate 10% of the shares available under these Schemes.
- Subject to the discretion of the Board, any employee (including an executive director) shall be eligible to participate in the ESOS.
- The option price under the ESOS and MSIS initial grant is the price at which a share was subscribed for by a retail investor under the Initial Public Offering ('IPO').
- The option price under the ESOS and MSIS for any subsequent grant, is the weighted average of the market price quotation of shares for the five market days immediately preceding the date on which the option is granted less, if the Board of Directors shall so determine at their discretion from time to time, a discount of not more than 10% or the par value of a share, whichever is higher.
- Details of the share option eligibility criteria may be obtained by the employees from the Human Resource Division.
- No option shall be granted pursuant to these Schemes on or after the tenth anniversary of the date on which these Schemes shall become effective, and no awards granted prior to such tenth anniversary may extend beyond that.

28. SHARE-BASED PAYMENT (CONT'D.)

2003 Employee Share Option Scheme ('ESOS') and 2003 Management Share Incentive Scheme ('MSIS') (collectively the 'Schemes') (Cont'd.)

The movement of the number of share options outstanding and their related weighted average exercise prices are as follows:

	2009		2008	
	Average exercise price per share RM	Number of options	Average exercise price per share RM	Number of options
Group and Company				
ESOS				
At beginning of financial year	**4.41**	**86,090,466**	4.44	74,713,350
Granted	**2.76**	**22,032,400**	4.31	26,162,550
Forfeited	**4.04**	**(15,100,588)**	4.43	(13,529,034)
Exercised	**3.65**	**(3,000)**	3.85	(1,256,400)
At end of financial year	**4.07**	**93,019,278**	4.41	86,090,466
Exercisable at end of period	**4.44**	**61,320,878**	4.43	41,188,066
Group and Company				
MSIS				
At beginning of financial year	**3.73**	**6,384,060**	3.72	7,843,400
Forfeited	**–**	**–**	3.69	(1,459,340)
At end of financial year	**3.73**	**6,384,060**	3.73	6,384,060
Exercisable at end of period	**3.73**	**6,384,060**	3.73	6,384,060

ESOS

The share options granted give the option holders the right to purchase the shares of the Company and will expire on 21 October 2013. The share options vest over a timeline as stipulated in the ESOS Letter of Offer and criteria stated therein. The weighted average share price of the ESOS exercised during the financial year was RM3.09 (FY2008: RM4.13).

28. SHARE-BASED PAYMENT (CONT'D.)

2003 Employee Share Option Scheme ('ESOS') and 2003 Management Share Incentive Scheme ('MSIS') (collectively the 'Schemes') (Cont'd.)

ESOS (Cont'd.)

The options over ordinary shares of the Company outstanding under the ESOS as at end of financial years, consist of the following:

	Number of options over ordinary shares	
	2009	2008
Exercise price		
RM5.00 to RM6.00	**3,161,700**	7,991,300
RM4.00 to RM4.99	**58,018,802**	61,149,166
RM3.00 to RM3.99	**22,022,576**	16,950,000
RM2.00 to RM2.99	**9,816,200**	–
	93,019,278	86,090,466

MSIS

The share options granted give the option holders the right to purchase the shares of the Company and will expire on 21 October 2013. A substantial number of the shares options vested on 30 April 2007 and are exercisable from 22 October 2007.

The options over ordinary shares of the Company outstanding under the MSIS as at end of financial years, consist of the following:

	Number of options over ordinary shares	
	2009	2008
Exercise price		
RM4.00 to RM4.99	**509,310**	509,310
RM3.00 to RM3.99	**5,874,750**	5,874,750
	6,384,060	6,384,060

28. SHARE-BASED PAYMENT (CONT'D.)

2003 Employee Share Option Scheme ("ESOS") and 2003 Management Share Incentive Scheme ("MSIS") (collectively the "Schemes") (Cont'd.)

The Group incurred a charge of RM13,898,000 (FY2008: RM25,266,000) in respect of share-based payments to eligible employees within the Group. Included in this amount was the Parent Company's charge of RM1,708,000 (FY2008: RM5,079,000). The remaining amount of RM12,190,000 (FY2008: RM20,187,000) was recharged to respective subsidiaries within the Group.

The weighted average fair value of options granted during the period was determined using the Binomial valuation model. Key inputs and assumptions used to estimate the fair value of the share option includes the weighted average share price at the grant date, average risk free interest rate, weighted average expected dividend yield, exercise prices and the standard deviation of expected share price returns. The standard deviation of expected share price returns is based on statistical analysis of weekly closing share prices from 31 October 2003 to 31 October 2008.

Inputs into the model:

	2009	2008
Share Price at the date of exercised / Average Exercise price	**RM4.04**	RM4.31
Weighted average grant date share price	**RM3.09**	RM4.13
Weighted average fair value of option	**RM1.06**	RM1.03
Average risk free rate	**3.83%**	4.35%
Weighted average expected dividend yield	**2.13%**	3.69%
Expected volatility	**26.65%**	21.04%

Options granted under the ESOS and MSIS schemes do not carry any dividend or voting rights prior to the exercise of the options and will be subject to the provisions of the Memorandum and Articles of Association. Upon the exercise of the options, shares issued shall rank pari passu in all respects with existing ordinary shares of the Company.

29. SHARE PREMIUM (NON-DISTRIBUTABLE)

	Group and Company	
	2009 RM'000	**2008 RM'000**
Premium on ordinary shares of 10p each		
At beginning of financial year	**31,629**	27,643
Premium on issuance of ordinary shares:		
– pursuant to exercise of share options	**9**	3,986
At end of financial year	**31,638**	31,629

30. MERGER RESERVE (NON-DISTRIBUTABLE)

Group

The merger reserve arose from the Company's business combination with ASTRO Overseas Limited ("AOL") prior to the introduction of IFRS 3 'Business Combinations'. The merger reserve represents the excess of the value of the share capital of AOL acquired of RM1,242,875,000 over the nominal value of shares of the Company being issued of RM724,429,000.

31. MINORITY INTERESTS

	Group	
	2009 RM'000	**2008 RM'000**
At beginning of financial year	**1,263**	5,522
Dilution of equity interest in a subsidiary	**2**	1,462
Share of net losses	**(1,265)**	(5,712)
Currency translation differences	**–**	(9)
At end of financial year	**–**	1,263

32. FINANCIAL INSTRUMENTS

(a) Credit risk

The Group and Company are exposed to credit risk arising from the financial assets of the Group, which comprise receivables, cash and cash equivalents and derivative financial instruments.

Trade receivables

Concentration of credit risk with respect to trade receivables are limited due to the Group's large number of customers. The Directors believe that there is no additional credit exposure above the amounts provided.

The credit quality of trade receivables that were neither past due nor impaired as at the balance sheet date, can be assessed by reference to historical information relating to counterparty default rates:

	Group	
	2009 RM'000	**2008 RM'000**
Customers with no defaults in the past	**125,648**	72,812
Customers with some defaults in the past (all defaults were fully recovered)	**98,890**	111,898
	224,538	184,710

As at 31 January 2009, the analysis of the age of trade receivables that were past due but not impaired is as follows:

	Past due but not impaired					
Group	**Not later than 30 days RM'000**	**Between 31 and 60 days RM'000**	**Between 61 and 90 days RM'000**	**Between 91 and 120 days RM'000**	**Over 120 days RM'000**	**Total RM'000**
As at 31 January 2009	**4,442**	**43,145**	**11,517**	**10,562**	**27,816**	**97,482**
As at 31 January 2008	6,027	37,421	18,645	14,335	18,469	94,897

32. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Credit risk (Cont'd.)

Other financial assets

With respect to credit risk arising from the other financial assets of the Group, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

In addition, a majority of the Group's deposits are placed with financial institutions with strong short-term credit rating in Malaysia.

(b) Liquidity risk

The table below summarises the maturity profile of the Group and Company's financial liabilities (borrowings and payables, excluding unearned revenue) at 31 January 2009 based on contractual undiscounted payments:

Group	**On demand RM'000**	**Within 1 year RM'000**	**Between 1 and 5 years RM'000**	**Over 5 years RM'000**	**Total RM'000**
At 31 January 2009					
Borrowings	**–**	**439,844**	**810,162**	**586,410**	**1,836,416**
Payables	**304,245**	**756,809**	**339,049**	**18**	**1,400,121**
Derivative financial instruments – financial liabilities	**–**	**23,647**	**–**	**–**	**23,647**
	304,245	**1,220,300**	**1,149,211**	**586,428**	**3,260,184**
At 31 January 2008					
Borrowings	–	57,074	437,463	593,041	1,087,578
Payables	195,534	702,924	177,207	10	1,075,675
Derivative financial instruments – financial liabilities	–	140	–	–	140
	195,534	760,138	614,670	593,051	2,163,393

32. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Liquidity risk (Cont'd.)

Company	On demand RM'000	Within 1 year RM'000	Between 1 and 5 years RM'000	Total RM'000
At 31 January 2009				
Borrowings	**–**	**364,900**	**162,835**	**527,735**
Payables	**6,884,463***	**20,498**	**–**	**6,904,961**
	6,884,463	**385,398**	**162,835**	**7,432,696**
At 31 January 2008				
Borrowings	–	465	190,300	190,765
Payables	6,431,796*	12,964	–	6,444,760
	6,431,796	13,429	190,300	6,635,525

* *A majority of the payables on demand were amounts due to subsidiaries of RM6,878,767,000 (FY2008: RM6,425,557,000)*

(c) Market risk

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rate, with all other variables held constant, of the Group and Company's profit or loss before taxation. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in the exchange rate.

Group	Increase/ decrease in USD rate	Effect on (loss)/profit before tax RM'000	Effect on equity RM'000
2009	**+10%**	**(111,124)**	**18,808**
	–10%	**111,124**	**(18,808)**
2008	+10%	(51,239)	497
	–10%	51,239	(497)

32. FINANCIAL INSTRUMENTS (CONT'D.)

(c) Market risk (Cont'd.)

Foreign currency sensitivity (Cont'd.)

Company	Increase/ decrease in USD rate	Effect on (loss)/profit before tax RM'000	Effect on equity RM'000
2009	**+10%**	**(56,108)**	**–**
	–10%	**56,108**	**–**
2008	+10%	2,598	–
	–10%	(2,598)	–

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group and Company's profit or loss before taxation. The sensitivity analysis is determined based on the impact on floating rate financial instruments at the balance sheet date.

Group	Increase/ decrease in basis points	Effect on (loss)/profit before tax RM'000	Effect on equity RM'000
2009	**+100**	**(4,451)**	**3,635**
	–100	**4,451**	**(3,635)**
2008	+100	(404)	–
	–100	404	–

32. FINANCIAL INSTRUMENTS (CONT'D.)

(c) Market risk (Cont'd.)

Interest rate sensitivity (Cont'd.)

Company	Increase/ decrease in basis points	Effect on (loss)/profit before tax RM'000	Effect on equity RM'000
2009	**+100**	**(2,195)**	**–**
	–100	**2,195**	**–**
2008	+100	(223)	–
	–100	223	–

(d) Capital risk management

The Group and Company's objectives when managing capital are to safeguard the Group and Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group and Company consists of borrowings, cash and cash equivalents and total equity, comprising issued share capital, reserves and minority interests, as follows:

	Group		Company	
	2009 RM'000	**2008 RM'000**	**2009 RM'000**	**2008 RM'000**
Total borrowings	**1,531,014**	786,571	**517,512**	190,765
Less: cash and cash equivalents	**(1,058,076)**	(986,831)	**(23,320)**	(82,386)
	472,938	(200,260)	**494,192**	108,379
Total equity	**799,540**	1,620,435	**3,108,072**	3,696,749
Total capital	**1,272,478**	1,420,175	**3,602,264**	3,805,128

The Group and Company will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the repayment of existing borrowings.

No changes were made in the objectives, policies or processes during the year ended 31 January 2009.

32. FINANCIAL INSTRUMENTS (CONT'D.)

(e) Fair values

The carrying amounts of the Group's financial assets and liabilities at the balance sheet date approximate their fair values except as set out below:

Group	2009		2008	
	Carrying amounts RM'000	Fair value RM'000	Carrying amounts RM'000	Fair value RM'000
Fixed rate financial liabilities which are denominated in RM				
Finance lease facilities	**646,222**	**506,874**	591,892	577,412

The interest on non-current payables and borrowings are charged on a floating rate basis and hence the carrying amounts approximate their fair values at the respective balance sheet dates.

The fair value of derivative financial instruments are disclosed in Note 23.

33. SIGNIFICANT RELATED PARTY DISCLOSURES

The Group has a number of related party transactions and the Group's policy is, where practicable, to agree terms with the related parties which are similar to those that would be available if the transaction was contracted with a third party.

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

The principal companies associated with UTSB are Tanjong Public Limited Company ('Tanjong') and Maxis Communications Berhad ('Maxis'). MAI Holdings Sdn. Bhd. is ultimately controlled by Ananda Krishnan Tatparanandam.

Notes to the Financial Statements

33. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

Related parties	Relationship
Kristal-Astro Sdn. Bhd.	Associate of the Company
AETN All Asia Networks Pte Ltd	Jointly controlled entity of the Company
Maxis Broadband Sdn. Bhd.	Subsidiary of Maxis
Malaysian Mobile Services Sdn. Bhd.	Subsidiary of Maxis
UTSB Management Sdn. Bhd.	Subsidiary of UTSB
SRG Asia Pacific Sdn. Bhd.	Subsidiary of UTSB
MEASAT Satellite Systems Sdn. Bhd.	Subsidiary of MAI Holdings Sdn. Bhd.
Yes Television (Hong Kong) Limited ('Yes TV')	Yes TV is a substantial shareholder of two subsidiaries in the Group. Two of Yes TV's directors are also directors in these subsidiaries.

The following significant transactions were carried out with related parties:

(a) Sales of goods and services

	2009 RM'000	2008 RM'000
Malaysian Mobile Services Sdn. Bhd. (Multimedia and interactive sales and other services)	**8,421**	12,149
Maxis Broadband Sdn. Bhd. (Multimedia and interactive sales and other services)	**2,092**	3,540
Kristal-Astro Sdn. Bhd. (Set-top box sales, sales of programme rights, technical support and other services)	**26,267**	4,459
AETN All Asia Networks Pte Ltd (Playout channel service fee, subtitling and other services)	**5,360**	2,989

33. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

(b) Purchases of goods and services

	2009 RM'000	2008 RM'000
UTSB Management Sdn. Bhd. (Personnel, strategic, consultancy and support services)	**15,418**	15,122
Yes Television (Hong Kong) Limited (Personnel, strategic, consultancy and support services)	**2,931**	5,663
Maxis Broadband Sdn. Bhd. (Telecommunication services and other charges)	**8,939**	12,808
SRG Asia Pacific Sdn. Bhd. (Interaction call center services)	**1,481**	14,104
MEASAT Satellite Systems Sdn. Bhd. ("MSS") (Expenses and payment related to finance lease, rental and other charges)	**76,361**	78,645
AETN All Asia Networks Pte Ltd (Turnaround channel transmission rights and playout channel service deposit)	**13,086**	8,626

(c) Year end balances arising from (a) and (b) above

Receivable from related parties

	2009 RM'000	2008 RM'000
Malaysian Mobile Services Sdn. Bhd.	**3,737**	7,226
Maxis Broadband Sdn. Bhd.	**744**	1,567
Kristal-Astro Sdn. Bhd.	**20,000**	1,369
AETN All Asia Networks Pte Ltd	**5,383**	6,028

Payable to related parties

	2009 RM'000	2008 RM'000
UTSB Management Sdn. Bhd.	**31,203**	23,001
Yes Television (Hong Kong) Limited	**813**	2
Maxis Broadband Sdn. Bhd.	**3,458**	2,483
SRG Asia Pacific Sdn. Bhd.	**1,069**	5,087
MEASAT Satellite Systems Sdn. Bhd.	**4,127**	3,400
AETN All Asia Networks Pte Ltd	**7,031**	8,626

33. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

Key management personnel's remuneration and emoluments excluding Directors:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Salaries and short term employee benefits	**7,227**	13,350	**2,626**	6,456
Defined contribution plan	**868**	553	**150**	220
Share-based payments	**409**	3,023	**201**	2,947
	8,504	16,926	**2,977**	9,623

Key management personnel comprise members of the senior management team who are directly responsible for the financial and operating policies and decisions of the Group and Company.

Directors' remuneration and emoluments are disclosed in Note 8.

34. COMMITMENTS

(a) Capital commitments

Capital commitments approved and contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Capital expenditure	**47,668**	72,976	**815**	4,711
Investment in an associate	**17,957**	16,057	**–**	–
Investment in				
– Sun Direct TV (Note 16)	**147,204**	355,380	**–**	–
– Mogae	**9,566**	–	**–**	–
– Enetsys	**12,744**	–	**–**	–
Finance lease commitments	**262,044**	235,690	**–**	–
	497,183	680,103	**815**	4,711

34. COMMITMENTS (CONT'D.)

(a) Capital commitments (Cont'd.)

Capital commitment for investment in an associate

The capital commitment for investment in TVBPH relates to the remaining payment for uncalled ordinary share capital following the acquisition on 20 August 2003 of an additional 10% of the issued ordinary share capital (of which 7.9% has been fully paid) ("Uncalled Shares"). Subject to meeting certain requirements, these payments are to be settled in four tranches of HKD9,675,000 each, two of which were due for payment on 30 September 2004 and another two on 30 June 2005. As at 31 January 2009, the Group was negotiating for the deferment of the payments.

The Uncalled Shares rank pari passu in all respect with the existing shares except that the Uncalled Shares shall be credited when paid and voting rights shall accrue in proportion to the amounts paid and dividends shall be apportioned and paid pro-rata according to the amounts paid on the Uncalled Shares. The shareholding in TVBPH will increase from 26.3% (FY2008: 26.3%) to 30.0% upon the full payment of the Uncalled Shares.

(b) Programming commitments

The Group has the following contracted film library and programme rights at the balance sheet date which have not been recognised in the financial statements:

	Group	
	2009 RM'000	2008 RM'000
Film library and programme rights	**81,835**	126,081

(c) Operating lease commitments (non-cancellable)

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Group	
	2009 RM'000	2008 RM'000
Not later than 1 year	**13,776**	7,113
Later than 1 year and not more than 5 years	**5,895**	5,895
Later than 5 years	**9,580**	9,580
	29,251	22,588

Notes to the Financial Statements

35. CONTINGENT LIABILITIES

(a) As at 31 January 2009, the Group has provided guarantees to third parties amounting to RM50,558,000 of which RM49,071,000 was in respect of loan facility secured by a jointly controlled entity and RM1,487,000 (FY2008: RM1,648,000) in respect of licence fees in subsidiaries.

(b) Save as disclosed below, neither the Company nor its subsidiary companies has been or is involved in any material litigation or claims. The Company has been advised that there are compelling arguments to support its defence against the claims disclosed below, and accordingly, no provision has been recognised in the financial statements.

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

In response to complaints by several parties, the KPPU, an Indonesian regulatory body, ruled on 29 August 2008 ('KPPU Ruling') that All Asia Multimedia Networks FZ-LLC ('AAMN'), a wholly-owned subsidiary of the Company, was in breach of competition laws in Indonesia. In its decision, the KPPU ordered, amongst other things, AAMN to maintain and protect the interest of pay-TV consumers in Indonesia by maintaining cordial business relations with PT Direct Vision ("PTDV") and not to stop or deactivate its service to the subscribers until legal settlement is made in connection with the ownership status of PTDV.

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

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

35. CONTINGENT LIABILITIES (CONT'D.)

(ii) Sky Vision Objection

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

Sky Vision is arguing that, among other things, the KPPU Ruling releasing all reported parties from the charge under Indonesian Competition Law was wrongly decided. It also challenged the KPPU Ruling not to grant Sky Vision's request for compensation, and is seeking the cancellation of the agreement related to the transfer of BPL content for the period 2007-2010 and compensation in an amount of Rp.1,299,986,368,000.

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

(iii) PT Ayunda Prima Mitra ('PT APM') Claim

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

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

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

35. CONTINGENT LIABILITIES (CONT'D.)

(iv) South Jakarta Class Action

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

The Company has been advised by its solicitors that the notice of the South Jakarta Class Action has to date not been properly served on the Group in accordance with Indonesian law. Without prejudice to all questions of service and jurisdiction, the Company and MBNS were represented by counsel at the hearing on 3 March 2009. The matter is now pending a new hearing date.

(v) Surabaya Class Action

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

The Company has been advised by its solicitors that the notice of the Surabaya Class Action has to date not been properly served on the Group in accordance with Indonesian law. Without prejudice to all questions of service and jurisdiction, the Company and MBNS were represented by counsel at the hearing on 17 March 2009. The court has adjourned the hearing to 12 May 2009.

36. SIGNIFICANT POST BALANCE SHEET EVENTS

There were no significant post balance sheet events as at 4 May 2009, other than as disclosed in Note 37(a).

37. INVESTMENTS IN SUBSIDIARIES

		Company	
		2009 RM'000	**2008 RM'000**
(a)	Unquoted shares in subsidiaries, at cost	**7,998,107**	7,975,307
(b)	Advances	**1,366,635**	1,115,226
		9,364,742	9,090,533

The list of principal subsidiaries of the Company is disclosed in Note 37(c) of the financial statements.

(a) Shares in subsidiaries

Company	**Investment in unquoted shares RM'000**	**Investment in RCPS RM'000**	**Total RM'000**
At 1 February 2007	7,530,751	429,612	7,960,363
Transfers	(5,000)	–	(5,000)
Winding up of a subsidiary	(2,856)	–	(2,856)
RCPS yield	–	22,800	22,800
At 31 January/1 February 2008	**7,522,895**	**452,412**	**7,975,307**
RCPS yield	**–**	**22,800**	**22,800**
At 31 January 2009	**7,522,895**	**475,212**	**7,998,107**

On 23 February 2009, the total investment in RCPS above was fully redeemed by MBNS, a wholly owned subsidiary, for an amount of RM476,562,668 comprising the principal amount of RM285,000,000 (inclusive of share premium) and the accumulated yield of RM191,562,668 calculated up to the redemption date.

Notes to the Financial Statements

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(b) Advances

Company	Advances RM'000	Interest on advances RM'000	Total RM'000
At 1 February 2007	819,950	105,161	925,111
Additions	349,169	21,424	370,593
Repayment	(55,997)	–	(55,997)
Reversal of commitments	(112,677)	(11,804)	(124,481)
At 1 February 2008	**1,000,445**	**114,781**	**1,115,226**
Additions	**496,052**	**38,155**	**534,207**
Impairment	**(273,582)**	**(9,216)**	**(282,798)**
At 31 January 2009	**1,222,915**	**143,720**	**1,366,635**

(c) Subsidiaries

All of the subsidiaries have been included in the financial statements. Details of principal subsidiaries are shown below:

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Directly held by the Company					
ASTRO Overseas Limited ("AOL")	Bermuda	Ordinary	**100**	100	Investment holding
MEASAT Broadcast Network Systems Sdn. Bhd. ("MBNS") (Note 36(c)(i))	Malaysia	Ordinary	**100**	100	Providing DTH satellite broadcasting services
MEASAT Publications Sdn. Bhd. ("MPUB")	Malaysia	Ordinary	**100**	100	Magazine publication and distribution

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
ASTRO Shaw Sdn. Bhd. ("ASSB")	Malaysia	Ordinary	**100**	100	Production and distribution of films
MBNS Multimedia Technologies Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Research and development of multimedia related technologies
Digital Five Sdn. Bhd. (Formerly known as Multimedia Interactive Technologies Sdn. Bhd. ("D5SB"))	Malaysia	Ordinary	**100**	100	Development and licensing of multimedia and interactive applications
MEASAT Radio Communications Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Operation of commercial radio broadcasting stations
Maestra Broadcast Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Operation of commercial radio broadcasting stations
Hotspotz.Com Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Multimedia and interactive advertising

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Airtime Management and Programming Sdn. Bhd. ("AMP")	Malaysia	Ordinary	**100**	100	Management of commercial radio broadcasting stations, content and programming provider and provision of multimedia and advertising agency services
Radio Lebuhraya Sdn. Bhd. ("RLSB")	Malaysia	Ordinary	**100**	100	Establish, operate and maintain a radio broadcasting station
Astro Global Ventures (L) Ltd	Malaysia	Ordinary	**100**	100	Undertaking corporate exercise
Subsidiaries held by AOL					
All Asia Radio Technologies Limited ("AART")	Hong Kong	Ordinary	**100**	100	Investment holding and engaging in radio broadcasting and provision of programming, operation of radio stations, airtime sales and marketing and its related activities.

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiaries held by AOL (Cont'd.)					
ASTRO All Asia Entertainment Networks Limited ("AAAE")	Hong Kong	Ordinary	**100**	100	Investment holding
ASTRO Nusantara International B.V.	Netherlands	Ordinary	**100**	100	Investment holding
ASTRO Nusantara Holdings B.V.	Netherlands	Ordinary	**100**	100	Investment holding
All Asia Interactive Technologies (BVI) Ltd ("AAIT")	BVI	Ordinary	**100**	100	Investment holding
ASTRO (Brunei) Sdn. Bhd. ("ABSB")	Malaysia	Ordinary	**100**	100	Investment holding
MEASAT Broadcast Network Systems (BVI) Ltd	BVI	Ordinary	**100**	100	Investment holding
East Asia Entertainment (BVI) Ltd ("EAE")	BVI	Ordinary	**100**	100	Investment holding
Digital Software Exports Ltd ("DSEL")	Mauritius	Ordinary	**100**	100	Investment holding
ASTRO E.Com Ltd ("AECL")	Mauritius	Ordinary	**100**	100	Investment holding

Notes to the Financial Statements

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiaries held by AOL (Cont'd.)					
South Asia Software Technologies Ltd ("SAST")	Mauritius	Ordinary	**100**	100	Investment holding
Philippine Animation N.V. ("PANV")	Netherlands Antilles	Ordinary	**100**	100	Investment holding
All Asia Multimedia Networks FZ-LLC	United Arab Emirates	Ordinary	**100**	100	Development and supply of multimedia products and services
South Asia Entertainment Holdings Ltd	Mauritius	Ordinary	**100**	100	Investment holding
Subsidiary held by MBNS					
MEASAT Digicast Sdn. Bhd. ("Digicast")	Malaysia	Ordinary	**100**	100	Letting of property and related services
Subsidiaries held by ASSB					
Tayangan Unggul Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Film production, acquisition, commissioning and distribution

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiaries held by ASSB (Cont'd.)					
Nusantara Films Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Production, acquisition, commissioning and distribution of films
Karya Anggun Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Film production. acquisition, commissioning and distribution
Subsidiaries held by AMP					
DVR Player.Com Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Provision of radio services via internet
MAMBO Networks Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Provision of multimedia and interactive services and products
Adrep China Advertising Limited Services	The People's Republic of China	Ordinary	**100**	–	Provision of advertising agency services
Subsidiary held by SAST					
Airtime Marketing & Sales India Private Limited	India	Equity	**74**	74	Provision of consultancy, support services and studio facilities in the media sector

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiary held by AECL and DSEL					
ASTRO Network India Private Limited ("ASTRO Network India")[(1)]	India	Equity	**74**	74	Internet service provider business
Subsidiary held by EAE					
Celestial Entertainment Holdings Limited ("CEHL")	Hong Kong	Ordinary	**100**	100	Investment holding

(1) *Deemed effective interest via DSEL's 49% equity interest in ASTRO Network India and AECL's 49% direct equity interest in ASTRO E.Com India Private Limited, which holds 51% equity interest in ASTRO Network India.*

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiary held by CEHL					
Celestial Pictures Limited ("CPL")	Hong Kong	Ordinary	**100**	100	Film licensing and distribution
Subsidiaries held by CPL					
Celestial Movie Channel Limited ("CMCL")	Hong Kong	Ordinary	**100**	100	Distribution of movie channel
Celestial Filmed Entertainment Limited ("CFEL")	Hong Kong	Ordinary	**100**	100	Film licensing and distribution
Celestial Enterprises Limited ("CEL")	Hong Kong	Ordinary	**100**	100	Provision, licensing and distribution of television programme and channel
Celestial Productions Limited ("CPRL")	Hong Kong	Ordinary	**100**	100	Film licensing and distribution
Subsidiaries held by CMCL					
Tian Ying Movie Channel Limited	Hong Kong	Ordinary	**100**	100	Distribution of movie channel
Celestial Television Networks Limited	United Kingdom	Ordinary	**100**	100	Distribution of movie channel

Notes to the Financial Statements

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiaries held by CFEL					
Celestial Filmed Entertainment Inc	United States of America	Common stock	**100**	100	Film licensing and distribution
Subsidiaries held by CEL					
Beijing Celestial Channel Consulting Limited	The People's Republic of China	Ordinary	**100**	100	Provision of marketing and consulting services
Global Entertainment and Management Systems (BVI) Ltd ("GEMS")	BVI	Ordinary	**100**	100	Investment holding
Subsidiaries held by PANV					
Philippine Animation Studio, Inc	Philippines	Ordinary	**95.45**	95.45	Producing, processing and exporting animated motion pictures and related products and providing allied services
Pacific Digital Animation N.V. ("PDA")	Netherlands Antilles	Ordinary	**100**	100	Studio management and holder of film properties rights

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiaries held by PANV (Cont'd.)					
Pacific Digital Inc	Philippines	Ordinary	**100**	100	Producing, processing and exporting animation films and related products and providing allied services
Subsidiary held by AAIT					
Plus Interactive Asia Limited	Hong Kong	Ordinary	**75**	75	Aggregation and distribution of content over broadband, providing web portal outsourcing services and providing consultancy services
Subsidiary held by PDA					
Philippine Animators Group, Inc	Philippines	Ordinary	**100**	100	Producing, processing and distributing animation films and related products and providing allied services

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiaries held by AAAE					
ASTRO Awani Network Ltd ("Awani")	Mauritius	Ordinary	**80**	80	Creation, production, acquisition, aggregation and syndication digital multimedia programming content in the form of television and radio programmes and channels for distribution across Asia Pacific markets
ASTRO Ceria Network (BVI) Ltd	BVI	Ordinary	**100**	100	Content creation and aggregation of kids channel
ASTRO Aruna Network (BVI) Ltd	BVI	Ordinary	**50**	50	Content creation and aggregation of sinetron channel
ASTRO Kirana Network (BVI) Ltd	BVI	Ordinary	**100**	100	Content creation and aggregation of movie channel
ASTRO Xpresi Network (BVI) Ltd	BVI	Ordinary	**100**	100	Content creation and aggregation of music/lifestyle channel

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Global Sports Entertainment S.à r.l. ("GSE")	Luxembourg	Ordinary	**100**	100	Investment holding
Goal TV Asia Limited ("Goal TV")	Mauritius	Ordinary	**50**	51	Channel licensing and distribution
ASTRO Entertainment Sdn. Bhd. ("AESB")	Malaysia	Ordinary	**100**	100	Creation, aggregation and distribution of content
South Asia Creative Assets Ltd	Mauritius	Ordinary	**100**	100	Investment holding
Media Networks Limited	Hong Kong	Ordinary	**100**	–	Investment holding and the provision of consultancy and support services
All Asia Digital Media Limited	Hong Kong	Ordinary	**100**	–	Investment holding
Subsidiaries held by AART					
East Asia Radio Technologies Limited	Hong Kong	Ordinary	**100**	100	Designing, producing and disseminating advertisements and acting as advertising sales agent

37. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Subsidiaries (Cont'd.)

Name of subsidiary	Country of incorporation	Class of shares	Effective interest 2009 %	Effective interest 2008 %	Principal activities
Subsidiaries held by AART (Cont'd.)					
Nusantara Radio Holdings Limited	Hong Kong	Ordinary	**100**	100	Investment holding
South Asia Multimedia Technologies Ltd	Mauritius	Ordinary	**100**	100	Investment holding
All Asia Radio Technologies Media and Sales Sdn. Bhd.	Malaysia	Ordinary	**100**	100	Advertising sales, media training and media research
Subsidiaries held by AESB					
ASTRO Productions Sdn. Bhd. ("APRD")	Malaysia	Ordinary	**100**	100	Production and distribution of television drama programmes
Maestro Talent and Management Sdn. Bhd. ("MTAM")	Malaysia	Ordinary	**100**	100	Development and management of new talent in entertainment and broadcast industry and music recording
Nusantara Seni Karya Sdn. Bhd. ("NSK")	Malaysia	Ordinary	**51**	51	Production and distribution of specialised products

38. AMOUNT DUE FROM/(TO) SUBSIDIARIES

(a) Amounts due from subsidiaries

	Company 2009 RM'000	Company 2008 RM'000
Amounts due from subsidiaries	**1,469,569**	1,154,653
Impairment of amounts due from subsidiaries	**(336,857)**	–
Amounts due from subsidiaries – net	**1,132,712**	1,154,653

Amounts due from subsidiaries are unsecured and have no fixed term of repayment. The effective interest rate for amounts due from subsidiaries at the end of financial year ranges between 3.48% to 5.99% (FY2008: 5.55%) per annum.

The amounts due from subsidiaries were denominated in the following currencies:

	Company 2009 RM'000	Company 2008 RM'000
Ringgit Malaysia ('RM')	**482,848**	794,129
United States Dollar ('USD')	**602,965**	282,802
Others	**46,899**	77,722
	1,132,712	1,154,653

(b) Amounts due to subsidiaries

	Company 2009 RM'000	Company 2008 RM'000
Amounts due to subsidiaries	**6,878,767**	6,425,557

The amounts due to subsidiaries are unsecured and have no fixed term of repayment.

38. AMOUNT DUE FROM/(TO) SUBSIDIARIES (CONT'D.)

(b) Amounts due to subsidiaries (Cont'd.)

The amounts due to subsidiaries were denominated in the following currencies:

	Company	
	2009 RM'000	2008 RM'000
Ringgit Malaysia ('RM')	**6,512,812**	6,390,208
United States Dollar ('USD')	**352,599**	25,062
Others	**13,356**	10,287
	6,878,767	6,425,557

39. AMOUNTS RELATED TO THE COSTS OF CESSATION OF THE DTH BUSINESS PROPOSAL IN INDONESIA AND EXPENSES PREVIOUSLY INCURRED IN ITS DEVELOPMENT

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

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

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

39. AMOUNTS RELATED TO THE COSTS OF CESSATION OF THE DTH BUSINESS PROPOSAL IN INDONESIA AND EXPENSES PREVIOUSLY INCURRED IN ITS DEVELOPMENT (CONT'D.)

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

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

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

The Board has considered the carrying value of certain assets and commitments previously associated with the Indonesian venture, following the cessation of services to PTDV and their recoverability in the context of the current economic conditions and ongoing litigation.

During the financial year, the Group recorded RM687.4 million (FY 2008: RM227.4 million) for the amounts related to costs of cessation of the DTH business proposal in Indonesia and expenses previously incurred in its development. The cumulative amount recorded up to 31 January 2009 was RM1,155.8 million.

40. NON-CASH TRANSACTIONS

The principal non-cash transactions are as follows:

	Group	
	2009 RM'000	2008 RM'000
Advertising air time sales in exchange for consumable items and subsequent settlement of liabilities using these consumable items	**4,843**	4,266
Acquisition of property, plant and equipment by means of finance lease	**11,702**	638,890

Statutory Declaration

PURSUANT TO SECTION 169(16) OF THE MALAYSIAN COMPANIES ACT, 1965

I, GRANT SCOTT FERGUSON, the officer primarily responsible for the financial management of ASTRO ALL ASIA NETWORKS plc, do solemnly and sincerely declare that the financial statements set out on pages 57 to 117 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declaration Act, 1960.

GRANT SCOTT FERGUSON

Subscribed and solemnly declared by the abovenamed, Grant Scott Ferguson at Kuala Lumpur in Malaysia on 4 May 2009, before me.

Mohd Radzi Bin Yasin
No. W327
COMMISSIONER FOR OATH

Additional Disclosures
List of Properties Held

AS AT 31 JANUARY 2009

Location	Approximate Age of Building	Tenure	Remaining Lease Period (Expiry of Lease)	Current Use	Land Area (square metre)	Built-up Area (square metre)	Net Book Value as at 31 January 2009 (RM'000)
Lot 11301, 17778, 5800 and part of Lots 7966, 8093 and 14935, Mukim Petaling, Daerah Kuala Lumpur	12 years [(1)]	Sub-lease (land and building)	16 years (31 July 2025)	Television, Radio and Data Media Centre and Office	117,419	32,533	118,622
Lot PT4043 & PT4044, Mukim Kuala Lumpur, Daerah Kuala Lumpur	-	Sub-lease (land)	18 years (31 March 2027)	No formal plans for usage of land	412,780	Not applicable	Operating lease
Unit No. 165-1-1, 165-1-2, 165-1-3 and 165-2-1, Block B on Lot 1796, Mukim and District of Kuala Lumpur	4 years [(2)]	Freehold	Not applicable	Radio Studio	Not applicable	753.79	1,279
Lot PT12002, Mukim Dengkil	-	Freehold	Not applicable	No formal plans for usage of land	18,267	Not applicable	10,586

Notes: Revaluation of properties have not been carried out on any of the above properties to date.

[(1)] The date of completion of the building was 25 November 1996.
[(2)] The date of purchase of the building was 20 April 2005.

Transactions through Media Agencies

Some of the ASTRO group's airtime sales, publication and programme sponsorship arrangements are concluded with non-related, independent media agencies and are entered into on normal commercial terms. The role of these media agencies is to secure the best advertising or promotional packages for their clients among whom is Maxis Communications Berhad group, a related party. The value of such transactions, which are not related party transactions, is RM32.1 million (FY2008: RM27.03 million).

Additional Disclosures
Material Contracts Involving the Interests of Directors and Major Shareholders

Material contracts outside the ordinary course of business entered into by ASTRO and its subsidiaries involving directors' and major shareholders' interests which are still subsisting as at 31 January 2009 or which have been entered into subsequent to the end of the previous financial year are as follows:

Parties						
ASTRO Group	Transacting Party	Subject Matter	Consideration Value	Date of Agreement/ Duration	Mode of Satisfaction of Consideration	Relationship
MMT	Maxis and AWT	Shareholders' Agreement pursuant to the completion of the exercise by MMT of the option to subscribe for 833,334 ordinary shares of RM1.00 each ("Option Shares") representing 25% of the enlarged issued and paid-up share capital of AWT.	RM833,334 being the consideration paid by MMT for the Option Shares	Shareholders' Agreement dated 25 August 2004	Cash	Please refer to Notes below.
MMT	AWT	Shareholders' Loan Agreement pursuant to the terms of the Shareholders' Agreement above.	MMT granted AWT a loan amounting to RM24.17 million at interest rate of MBB's BLR plus 1% for a term of 5 years to enable AWT to repay a portion of existing Maxis loan of RM97.5 million granted to AWT.	Shareholders' Loan Agreement dated 24 November 2005	Cash	Please refer to Notes below.
AOL	STC SRMG	Shareholders' Agreement relating to the establishment of a Content Joint Venture in the Middle East to develop, produce, procure, aggregate, market, distribute and sell media content and content related intellectual property rights for the purposes of distribution or broadcasting on fixed and mobile platforms	BHD5,938,446.00 (approx. RM56.1 million)	Shareholders' Agreement dated 28 October 2008	Cash	Please refer to Notes below.

Notes as at 29 May 2009:

1. *MMT is a wholly-owned subsidiary of ASTRO. UTSB, PSIL, Excorp, PanOcean and TAK, who are major shareholders of MMT through ASTRO, are also major shareholders of Maxis. In addition, TAK is a director of PanOcean, Excorp and UTSB.*
2. *Dato' Badri, who is the Chairman and Director of ASTRO, is also a major shareholder of Maxis. In addition, Dato' Badri is a director of MMT and several other subsidiaries of ASTRO. He is also deemed to have an equity interest in ASTRO.*
3. *RM, who is the Group Chief Executive Officer and Director of ASTRO, is also a director of UTSB and Maxis. In April 2008, he re-assumed the additional responsibilities of Group Chief Executive Officer of ASTRO. In addition, RM is a director of several subsidiaries of ASTRO and a shareholder of ASTRO. He does not have any equity interest in MMT, AWT and Maxis.*
4. *RR, who is a director of MMT and several other subsidiaries of ASTRO, is also a director of AWT. In addition, RR is a shareholder of ASTRO. She does not have any equity interest in MMT, AWT or Maxis.*
5. *GF, who is a director of MMT and several other subsidiaries of ASTRO, is also the alternate director to RR in AWT. He does not have any equity interest in ASTRO, MMT, AWT or Maxis.*
6. *STC is regarded as a person connected to UTSB, a major shareholder of AAAN, pursuant to the definition of "person connected" under the Listing Requirements by virtue of UTSB and STC being parties among others to an agreement between them.*

Glossary:

AOL	*ASTRO Overseas Limited*
AWT	*Advanced Wireless Technologies Sdn Bhd*
BLR	*Base Lending Rate*
Dato' Badri	*Dato' Haji Badri Bin Haji Masri*
Excorp	*Excorp Holdings N.V.*
GF	*Grant Scott Ferguson*
Maxis	*Maxis Communications Berhad*
MBB	*Malayan Banking Berhad*
MMT	*MBNS Multimedia Technologies Sdn Bhd*
PanOcean	*PanOcean Management Limited*
PSIL	*Pacific States Investment Limited*
RM	*Augustus Ralph Marshall*
RR	*Rohana Binti Rozhan*
SRMG	*Saudi Research And Marketing Group*
STC	*Saudi Telecom Company*
TAK	*Ananda Krishnan Tatparanandam*
UTSB	*Usaha Tegas Sdn Bhd*

Additional Disclosures
Recurrent Related Party Transactions

At the General Meetings held on 26 July 2007 and 24 July 2008 respectively, the Company obtained its shareholders' mandate to allow the Group to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature ("Shareholders' Mandate").

In accordance with the Listing Requirements of Bursa Securities, the details of RRPTs conducted during the financial year ended 31 January 2009 pursuant to Shareholders' Mandate where the aggregate value of such RRPTs are equal to or have exceeded RM1million or 1% of the relevant percentage ratio for such transactions, whichever is the higher, are as follows:-

No.	**Company in the ASTRO Group involved**	**Transacting Party**	**Nature of transaction**	**Interested Related Party**	**Nature of Relationship**	**2007 Mandate**	**2008 Mandate**	**Aggregate value of transactions during the financial year (RM)**
						Incurred from 1 February 2008 to 23 July 2008 (RM)	Incurred from 24 July 2008 to 31 January 2009 (RM)	
(A)	**UT Group**							
1.	MBNS	UTSBM	Provision of personnel support in the operation and management of AAAN Group's business by UTSBM	Major Shareholders UTSB, PSIL, Excorp, PanOcean and TAK Directors RM	Please refer to Note 1	34,452	37,548	72,000
2.	MBNS	UTSBM	Provision of consultancy services to MBNS			4,186,832	4,563,174	8,750,006
3.	MBNS	SRGAP	Provision of call centre services and ad-hoc services to MBNS			631,085	N/A	631,085
4.	Maestra and MRC	UTSBM	Provision of consultancy and support services to Maestra and MRC			2,911,398	3,509,449	6,420,847
5.	AAAN and/or its subsidiaries	UTP	Provision of project and construction management services to AAAN and/or its subsidiaries			N/A	8,033	8,033
6.	MBNS	Bonuskad	Participation in the BonusLink loyalty programme by MBNS			244,916	252,944	497,860
	Aggregate value for transactions with UT Group :							**16,379,831**

Additional Disclosures
Recurrent Related Party Transactions

No.	Company in the ASTRO Group involved	Transacting Party	Nature of transaction	Interested Related Party	Nature of Relationship	2007 Mandate	2008 Mandate	Aggregate value of transactions during the financial year (RM)
						Incurred from 1 February 2008 to 23 July 2008 (RM)	Incurred from 24 July 2008 to 31 January 2009 (RM)	
(B)	**Maxis Group**							
7.	AAAN and/or its subsidiaries	Maxis Broadband	Provision of premium telephone services to AAAN and/or its subsidiaries	Major Shareholders UTSB, PSIL, Excorp, PanOcean and TAK Directors Dato' Badri and RM	Please refer to Note 2	2,620,961	2,786,689	5,407,650
8.	MBNS and/or its affiliates	Maxis Mobile and/or its affiliates	Provision of Short Messaging Services ("SMS"), Multimedia Messaging Services ("MMS") and other related services to MBNS and/or its affiliates.			1,487,662	1,033,172	2,520,834
9.	MBNS and/or its affiliates	Maxis Mobile and/or its affiliates	Provision of video streaming services by MBNS and/or its affiliates			1,648,841	1,084,576	2,733,417
10.	MBNS and/or its affiliates	Maxis Broadband and/or its affiliates	Provision of private leased circuit to MBNS and/or its affiliates			2,923,845	2,042,271	4,966,116
11.	DFSB	Maxis Broadband	Provision for use of STK-WAP platform by DFSB			1,036,199	1,069,054	2,105,253
12.	DFSB	Maxis Mobile and/or its affiliates	Provision of electronic information and transaction services utilising STK-WAP platform by DFSB			273,017	690,434	963,451
13.	DFSB	Maxis Mobile	Provision of electronic bill presentment and payment services by DFSB			297,103	368,699	665,802
14.	AMP and/or its affiliates	Maxis Mobile	Sale of airtime, sponsorships and online web branding by AMP and/or its affiliates			NA	17,255,951	17,255,951

Additional Disclosures
Recurrent Related Party Transactions

No.	Company in the ASTRO Group involved	Transacting Party	Nature of transaction	Interested Related Party	Nature of Relationship	2007 Mandate	2008 Mandate	Aggregate value of transactions during the financial year (RM)
						Incurred from 1 February 2008 to 23 July 2008 (RM)	Incurred from 24 July 2008 to 31 January 2009 (RM)	
15.	AMP	Maxis Mobile	Provision of SMS, Wireless Application Protocol ("WAP"), MMS and other services to AMP			128,387	239,244	367,631
16.	MBNS	MMSB	Usage of Maxis' Menara Sunway Contact Centre as AAAN Group's business continuity plans			NA	4,500	4,500
17.	MTM	Maxis Mobile and/or its affiliates	Provision of talent by MTM for promotional activities			5,000	NA	5,000
18.	MTM	Maxis Mobile	Provision of content by MTM			32,783	NA	32,783
	Aggregate value of transactions with Maxis Group :							**37,028,388**
(C)	**Tanjong Group**							
19.	AAAN and/or its subsidiaries	PMP and/or its affiliates	Usage of PMP's management meeting rooms and resource centres at Menara Maxis as part of AAAN Group's business continuity plans	Major Shareholders UTSB, PSIL, Excorp, PanOcean and TAK Directors RM	Please refer to Note 3	3,600	3,600	7,200
20.	MBNS	PMP	Sale of airtime and sponsorship on Astro's channels by MBNS			372,608	N/A	372,608
21.	DFSB	PMP	Provision of maintenance and support services (Telelink Gateway System) by DFSB			51,677	56,323	108,000
22.	DFSB	PMP	Provision of maintenance and support services (Telelink Mobile System) by DFSB			NA	321,815	321,815

Additional Disclosures
Recurrent Related Party Transactions

No.	Company in the ASTRO Group involved	Transacting Party	Nature of transaction	Interested Related Party	Nature of Relationship	2007 Mandate	2008 Mandate	Aggregate value of transactions during the financial year (RM)
						Incurred from 1 February 2008 to 23 July 2008 (RM)	Incurred from 24 July 2008 to 31 January 2009 (RM)	
23.	AMP and /or its affiliates	PMP and /or its affiliates	Sale of airtime, sponsorships and online web branding by AMP			N/A	561,992	561,992
24.	DFSB	TGV	Provision of ticketing system for TGV's ticket reservation services by DFSB			11,484	12,516	24,000
25.	ASTRO Shaw and/or its affiliates	TGV	Distribution of films by ASTRO Shaw and/or its affiliates			300,946	1,701,054	2,002,000
	Aggregate value of transactions with Tanjong Group :							**3,397,615**
(D)	**MSS**							
26.	AAAN and/or its subsidiaries	MSS and/or its affiliates	Lease of M2 satellite transponders by AAAN and/or its affiliates	Major Shareholders TAK Directors RM	Please refer to Note 4	3,185,834	1,084,167	4,270,001
27.	AAAN and/or its subsidiaries	MSS and/or its affiliates	Lease of M3 satellite transponders by AAAN and/or its affiliates			16,432,710	N/A	16,432,710
28.	MBNS and/or its	MSS	Lease of MEASAT-1 and MEASAT -3 satellite transponders by MBNS and/or its affiliates			137,897	140,135	278,032
29.	AAAN and/or its subsidiaries	MSS and/or its affiliates	Lease of M3/M3a satellite transponders by AAAN and/or its subsidiaries			N/A	11,751,250	11,751,250

Additional Disclosures
Recurrent Related Party Transactions

No.	Company in the ASTRO Group involved	Transacting Party	Nature of transaction	Interested Related Party	Nature of Relationship	2007 Mandate	2008 Mandate	Aggregate value of transactions during the financial year (RM)
						Incurred from 1 February 2008 to 23 July 2008 (RM)	Incurred from 24 July 2008 to 31 January 2009 (RM)	
30.	AAMN and/or its affiliates	MSS and/or its affiliates	Provision of satellite services for channel distribution to AAMN an/or its affiliates			N/A	388,894	388,894
	Aggregate value of transactions with MSS :							**33,120,887**
	TOTAL AGGREGATE VALUE OF TRANSACTIONS WITH UT GROUP, MAXIS GROUP, TANJONG GROUP AND MSS CONDUCTED PURSUANT TO SHAREHOLDERS' MANDATE:							**89,926,721**
(E)	**YES TV**							
31.	Plus Interactive	Yes TV	Provision of personnel support to Plus Interactive	Major Shareholders Yes plc and TJK Directors TJK and WEM	Please refer to Note 5	10,793	10,411	21,204
32.	Goal TV	Yes TV	Provision of personnel support to Goal TV			1,412,404	N/A	1,412,404
33.	Goal TV	Yes TV	Provision of programming, marketing and related services to Goal TV			N/A	1,399,609	1,399,609
	Aggregate value of transactions with YES TV :							**2,833,217**
(F)	**GOAL TV**							
34.	MBNS	Goal TV	Provision of licence rights for Goal TV channels to MBNS	Major Shareholders AAME, UTES, UTSB, PSIL, Excorp, PanOcean, TAK, Yes TV, Yes plc and TJK Directors GF, MCH, TJK and WEM	Please refer to Note 6	4,107,884	5,730,693	9,838,577
35.	Plus Interactive	Goal TV	Rental of equipment provided by Plus Interactive			8,785	5,458	14,243
	Aggregate value of transactions with YES TV :							**9,852,820**

Additional Disclosures
Recurrent Related Party Transactions

No.	Company in the ASTRO Group involved	Transacting Party	Nature of transaction	Interested Related Party	Nature of Relationship	2007 Mandate	2008 Mandate	Aggregate value of transactions during the financial year (RM)
						Incurred from 1 February 2008 to 23 July 2008 (RM)	Incurred from 24 July 2008 to 31 January 2009 (RM)	
(G)	**Plus Interactive**							
36.	DFSB	Plus Interactive	Provision of broadband and consultancy services to DFSB	Major Shareholders AAME, UTES, UTSB, PSIL, Excorp, PanOcean, TAK, Yes TV, Yes plc and TJK Directors GF TJK WEM	Please refer to Note 6	47,879	N/A	47,879
	Aggregate value of transactions with YES TV :							**47,879**
	TOTAL AGGREGATE VALUE OF TRANSACTIONS WITH YES TV, GOAL TV AND PLUS INTERACTIVE CONDUCTED PURSUANT TO SHAREHOLDERS' MANDATE:							**12,733,916**
(H)	**KNB Group**							
37.	MBNS	Celcom and/or its affiliates	Provision of premium SMS services by MBNS	Major Shareholder KNB Director Dato' Badri	Please refer to Note 7	1,190,323	N/A	1,190,323
38.	AMP	Celcom and/or its affiliates	Provision of premium SMS services by AMP			18,691	N/A	18,691
39.	AMP	Celcom	Provision of tower/cabin space and maintenance services to AMP			29,988	N/A	29,988
40.	RLSB	Celcom	Provision of space, infrastructure and maintenance services to RLSB			250,000	N/A	250,000

Additional Disclosures
Recurrent Related Party Transactions

No.	Company in the ASTRO Group involved	Transacting Party	Nature of transaction	Interested Related Party	Nature of Relationship	2007 Mandate	2008 Mandate	Aggregate value of transactions during the financial year (RM)
						Incurred from 1 February 2008 to 23 July 2008 (RM)	Incurred from 24 July 2008 to 31 January 2009 (RM)	
41.	RLSB	Celcom	Rental of leased line facility by RLSB			14,142	N/A	14,142
42.	MBNS and/or its affiliates	Telekom	Provision of private leased circuit to MBNS and/or its affiliates			1,415,873	N/A	1,415,873
43.	AMP	Telekom	Provision of radio transmission facilities and associated services to AMP			3,092,185	N/A	3,092,185
44.	RLSB	Telekom	Provision of space, infrastructure and maintenance services to RLSB			553,264	N/A	553,264
45.	MBNS and/or its affiliates	Telekom	Provision of fixed line interactive services to MBNS			1,028,948	N/A	1,028,948
46.	MBNS	TSS	Provision of bill payment collection services to MBNS			272,070	N/A	272,070
47.	MBNS and/or its affiliates	KNB Group	Purchase of motor vehicles by MBNS and/or its affiliates			180,667	N/A	180,667
48.	MEASAT Publications and/or its affiliates	Datapos	Provision of mailing services to MEASAT Publications and/or its affiliates			261,675	N/A	261,675
	TOTAL AGGREGATE VALUE OF TRANSACTIONS WITH KNB GROUP:							**8,307,826**

Additional Disclosures
Recurrent Related Party Transactions

NOTES AS AT 29 MAY 2009:

(1) UTSBM, UTP, SRGAP and Bonuskad

- UTSBM, UTP and SRGAP are wholly-owned subsidiaries of UTSB. Bonuskad is 25% owned by UTSB. MBNS, Maestra and MRC are wholly-owned subsidiaries of ASTRO.
- UTSB, PSIL, Excorp, PanOcean and TAK who are major shareholders of ASTRO ("Major Shareholders"), are also major shareholders of UTSBM, UTP and SRGAP. In addition, TAK is a director of PanOcean, Excorp and UTSB.
- RM, who is a Director of ASTRO and several of its subsidiaries including MBNS, is also a director of UTSBM and UTSB. In addition, RM is the Group Chief Executive Officer as well as a shareholder of ASTRO.
- RM does not have any equity interest in MBNS, Maestra, MRC, UTSB, UTSBM, UTP, SRGAP or Bonuskad.

(2) Maxis Broadband, Maxis Mobile and MMSB

- Maxis Broadband, Maxis Mobile and MMSB are wholly-owned subsidiaries of Maxis. MBNS, DFSB, AMP and MTM are wholly-owned subsidiaries of ASTRO.
- Major Shareholders, UTSB, PSIL, Excorp, PanOcean and TAK are also major shareholders of Maxis. In addition, TAK is a director of PanOcean, Excorp and UTSB.
- Dato Badri, who is the Chairman and Director of ASTRO, is also a director of MBNS and several subsidiaries of ASTRO. In addition, Dato' Badri who is deemed to have an equity interest in ASTRO, is also a major shareholder of Maxis.
- RM, who is a Director of ASTRO and several of its subsidiaries including MBNS and AMP, is also a director of UTSB and Maxis. In addition, RM who is the Group Chief Executive Officer and a shareholder of ASTRO, is also a shareholder of Maxis.
- RM does not have any equity interest in MBNS, DFSB, AMP, MTM, Maxis Mobile, Maxis Broadband or MMSB.

(3) PMP and TGV

- PMP and TGV are wholly-owned subsidiaries of Tanjong plc. MBNS, AMP, DFSB and ASTRO Shaw are wholly-owned subsidiaries of ASTRO.
- Major Shareholders, UTSB, PSIL, Excorp, PanOcean and TAK are also major shareholders of Tanjong plc. In addition, TAK is a director of PanOcean, Excorp and UTSB.
- RM, who is a Director of ASTRO and several of its subsidiaries including MBNS, is also a director of UTSB and PMP. In addition, RM who is the Group Chief Executive Officer and a shareholder of ASTRO, is also the Executive Director and a shareholder of Tanjong plc. RM does not have any equity interest in MBNS, AMP, DFSB , ASTRO Shaw, PMP or TGV.

(4) MSS

- MSS is a wholly-owned subsidiary of MEASAT Global Berhad ("MGB"). MBNS and AAMN are wholly-owned subsidiaries of ASTRO.
- Major Shareholder, TAK is also a major shareholder of MGB and hence of MSS.
- RM, who is a Director of ASTRO and several of its subsidiaries including MBNS, is also a director of MGB and MSS. In addition, RM is the Group Chief Executive Officer and a shareholder of ASTRO. RM does not have any equity interest in MBNS, AAMN, MGB or MSS.

(5) Yes TV

- Yes TV is a major shareholder of Goal TV and Plus Interactive with an equity interest of 50% and 25% respectively.
- TJK and WEM are directors of Yes TV, Plus Interactive and Goal TV. TJK is a major shareholder of Yes plc with a deemed equity interest of 24.81% of the issued and paid-up share capital in Yes plc. He does not have any equity interest in ASTRO. WEM does not have any equity interest in Yes TV, Goal TV, Plus Interactive and ASTRO.

(6) Goal TV and Plus Interactive

- Goal TV and Plus Interactive are 50% and 75% owned subsidiaries of ASTRO respectively.
- Major shareholders, AAME, UTES, UTSB, PSIL, Excorp, PanOcean and TAK are regarded as having interest in the transactions between Goal TV, MBNS and Plus Interactive. Please refer to Note (1) above for their respective interest in ASTRO.
- GF is a director of Goal TV, Plus Interactive, MBNS and several other subsidiaries of ASTRO. GF is not deemed to have any equity interest in the shares of MBNS, Goal TV and Plus Interactive.
- MCH is a director of Goal TV and Plus Interactive. He is not deemed to have any equity interest in the shares of Goal TV or Plus Interactive.
- TJK and WEM are directors of Yes TV, Goal TV and Plus Interactive. Please refer to Note 5 above for their respective relationships and interests in Yes TV, Goal TV, Plus Interactive and ASTRO.

Additional Disclosures
Recurrent Related Party Transactions

(7) KNB Group

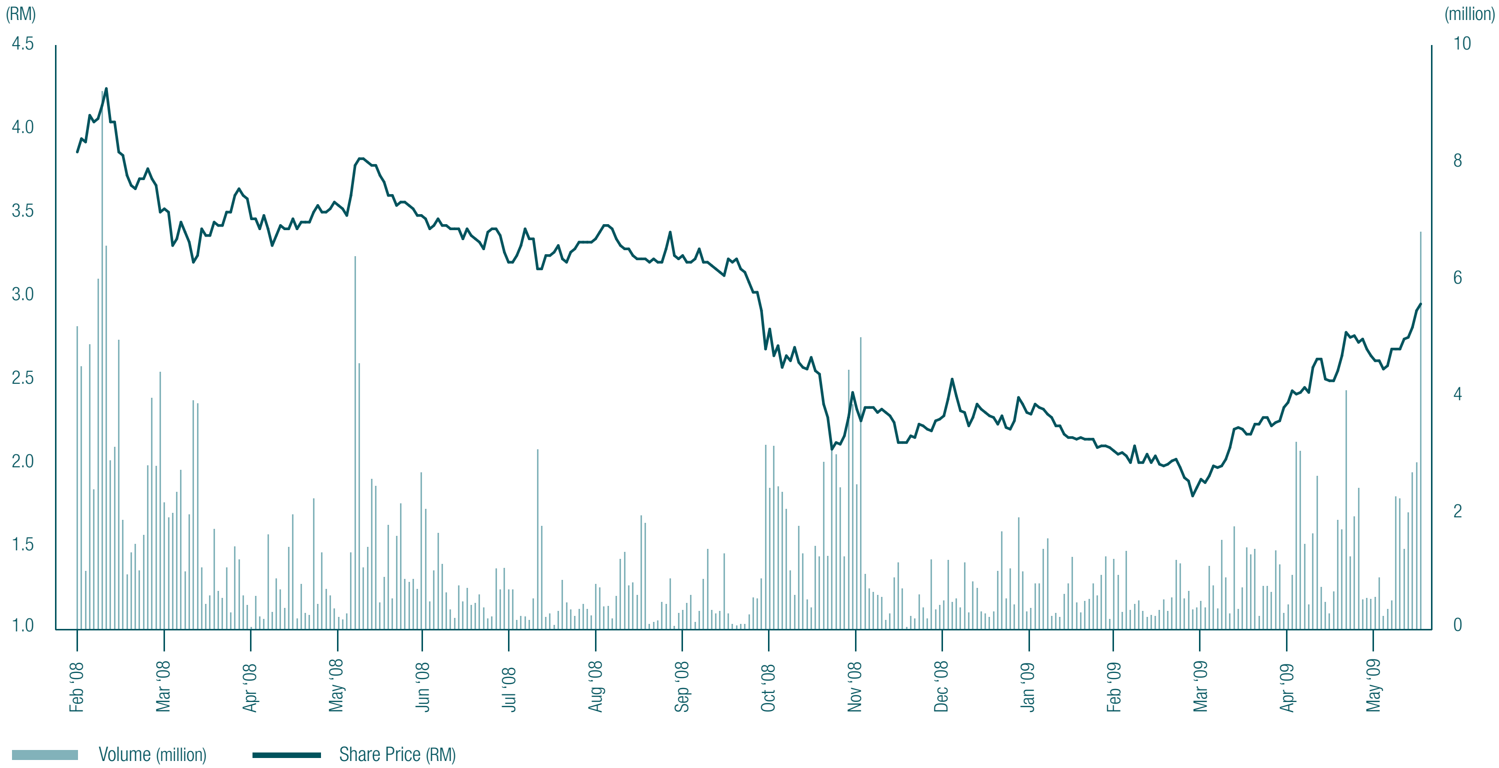
- KNB, a Major Shareholder of ASTRO, is also a major shareholder of Telekom and Pos Malaysia. MBNS, AMP, RLSB and MPUB are wholly-owned subsidiaries of ASTRO.
- Telekom is 41.78% owned by KNB.
- Celcom is a wholly-owned subsidiary of Axiata Group Berhad (fka TM International Berhad).
- TSS is 100% owned subsidiary of Telekom, which in turn is 41.78% owned by KNB.
- Datapos is a wholly-owned subsidiary of Pos Malaysia.
- Dato' Badri who is a nominee of KNB on the Board of ASTRO, is also the Chairman of ASTRO. In addition, Dato' Badri is a director of MBNS and several subsidiaries of ASTRO as well as a shareholder of ASTRO. Dato' Badri is not deemed to have any interest in the shares of MBNS, AMP, RLSB, or MPUB.
- On 28 May 2008, Bursa Malaysia had granted ASTRO a waiver for compliance with the Listing Requirements in relation to Recurrent Related Party Transactions which were entered into or to be entered into by ASTRO and its subsidiaries with KNB and Ministry of Finance, Inc group of companies.

Glossary

2007 Mandate	Shareholders' mandate obtained at the General Meeting held on 26 July 2007
2008 Mandate	Shareholders' mandate obtained at the General Meeting held on 24 July 2008
AMP	Airtime Management and Programming Sdn Bhd
AAAN or ASTRO	ASTRO ALL ASIA NETWORKS plc
ASTRO Shaw	ASTRO Shaw Sdn Bhd
Bonuskad	Bonuskad Loyalty Sdn Bhd
Bursa Securities	Bursa Malaysia Securities Berhad
Celcom	Celcom (Malaysia) Berhad
Datapos	Datapos (M) Sdn Bhd
Dato' Badri	Dato' Haji Badri Bin Haji Masri
DFSB	Digital Five Sdn Bhd (f.k.a. Multimedia Interactive Technologies Sdn Bhd)
Excorp	Excorp Holdings N.V.
Goal TV	Goal TV Asia Limited
KNB	Khazanah Nasional Berhad
KNB Group	Body corporates where KNB has effective equity interests of 10% or more
Maestra	Maestra Broadcast Sdn Bhd
Maxis	Maxis Communications Berhad
Maxis Broadband	Maxis Broadband Sdn Bhd
Maxis Group	Body corporates where Maxis has effective interests of 10% or more
Maxis Mobile	Maxis Mobile Services Sdn Bhd
MBNS	MEASAT Broadcast Network Systems Sdn Bhd
MBSB	Maxis Mobile Sdn Bhd
MEASAT Publications	MEASAT Publications Sdn Bhd
MMSB	Maxis Mobile Sdn Bhd
MRC	MEASAT Radio Communications Sdn Bhd
MSS	MEASAT Satellite Systems Sdn Bhd
MTM	Maestro Talent and Management Sdn Bhd
PanOcean	PanOcean Management Limited
PMP	Pan Malaysian Pools Sdn Bhd
PSIL	Pacific States Investment Limited
Pos Malaysia	Pos Malaysia Berhad
RLSB	Radio Lebuhraya Sdn Bhd
RM	Augustus Ralph Marshall
SRGAP	SRG Asia Pacific Sdn Bhd
TAK	Ananda Krishnan Tatparanandam
Tanjong Group	Body corporates where Tanjong plc has effective equity interests of 10% or more
Tanjong plc	Tanjong Public Listed Company
Tayangan Unggul	Tayangan Unggul Sdn Bhd
Telekom	Telekom Malaysia Berhad
TGV	TGV Cinemas Sdn Bhd
TSS	Telekom Sales & Services Sdn Bhd
UT Group	Body corporates where UTSB has effective equity interests of 10% or more
UTP	UT Projects Sdn Bhd
UTSB	Usaha Tegas Sdn Bhd
UTSBM	UTSB Management Sdn Bhd

Share Price Performance

FROM 1 FEBRUARY 2008 TO 29 MAY 2009



Financial Calendar

Results for	1Q FY2010	June 2009
	2Q FY2010	September 2009
	3Q FY2010	December 2009
	4Q FY2010	March 2010
AGM		20 July 2009
Proposed payment of final tax exempt dividend for the financial year ended 31 January 2009		August 2009

Analysis of Shareholdings

AS AT 29 MAY 2009

SHARE CAPITAL

Authorised : £300,000,000
Issued and paid-up : £193,403,556.10 comprising 1,934,035,561 ordinary shares of 10 pence each
Voting Right : One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS AS AT 29 MAY 2009

(Based on Record of Depositors)

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings		No. of shareholders	% of shareholders	No. of 10 pence shares	% of issued shares
1	to 99	395	2.73	3,165	0.00
100	to 1,000	7,959	54.95	7,233,992	0.37
1,001	to 10,000	4,998	34.50	19,206,666	0.99
10,001	to 100,000	874	6.03	29,029,024	1.50
100,001	to 96,701,777*	255	1.76	790,424,924	40.87
96,701,778	and above**	4	0.03	1,088,137,790	56.27
Total		**14,485**	**100.00**	**1,934,035,561**	**100.00**

Notes:

* less than 5% of the issued share capital

** 5% and above of the issued share capital

CATEGORY OF SHAREHOLDERS

Individual	12,889	88.98	51,755,287	2.68
Banks/Finance Companies	30	0.21	154,513,024	7.99
Investment Trusts/Foundations/ Charities	0	0.00	0	0.00
Industrial and Commercial Companies	172	1.19	1,417,275,262	73.28
Government Agencies/Institutions	2	0.01	1,534,000	0.08
Nominees	1,392	9.61	308,957,988	15.97
Others	0	0.00	0	0.00
Total	**14,485**	**100.00**	**1,934,035,561**	**100.00**

Analysis of Shareholdings

AS AT 29 MAY 2009

LIST OF 30 LARGEST SHAREHOLDERS AS AT 29 MAY 2009

No.	Name	No. of 10 pence shares held	% of issued shares
1.	Khazanah Nasional Berhad	413,829,018	21.40
2.	All Asia Media Equities Ltd	389,085,872	20.12
3.	East Asia Broadcast Network Systems N.V.	162,016,400	8.38
4.	Employees Provident Fund Board	123,706,500	6.40
5.	Usaha Tegas Entertainment Systems Sdn Bhd	90,534,101	4.68
6.	Pacific Broadcast Systems N.V.	54,005,486	2.79
7.	Nusantara Delima Sdn Bhd	54,005,466	2.79
8.	Berkat Nusantara Sdn Bhd	54,005,466	2.79
9.	Nusantara Cempaka Sdn Bhd	54,005,466	2.79
10.	Home View Limited N.V.	54,005,466	2.79
11.	Southpac Investments Limited N.V.	54,005,466	2.79
12.	Malaysia Nominees (Tempatan) Sendirian Berhad - Great Eastern Life Assurance (Malaysia) Berhad (PAR1)	31,155,500	1.61
13.	Amanah Raya Nominees (Tempatan) Sdn Bhd - Skim Amanah Saham Bumiputera	30,088,800	1.56
14.	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt An for Prudential Fund Management Berhad	22,417,900	1.16
15.	HSBC Nominees (Asing) Sdn Bhd - HSBC BK PLC for Prudential Assurance Company Ltd	15,096,200	0.78
16.	HSBC Nominees (Tempatan) Sdn Bhd - Nomura Asset Mgmt Malaysia for Employees Provident Fund	12,000,000	0.62
17.	Permodalan Nasional Berhad	9,139,800	0.47

Analysis of Shareholdings

AS AT 29 MAY 2009

No.	Name	No. of 10 pence shares held	% of issued shares
18.	Amanah Raya Berhad - Kumpulan Wang Bersama	9,000,000	0.47
19.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - ICapital.Biz Berhad	8,826,700	0.46
20.	HSBC Nominees (Asing) Sdn Bhd - Exempt An for JPMorgan Chase Bank, National Association (U.S.A)	7,826,100	0.40
21.	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt An for American International Assurance Berhad	7,206,100	0.37
22.	Mujur Nusantara Sdn Bhd	6,172,051	0.32
23.	HSBC Nominees (Asing) Sdn Bhd - TNTC for Fidelity Southeast Asia Fund (FID INV TST)	5,698,600	0.29
24.	HSBC Nominees (Asing) Sdn Bhd - TNTC for BT Pension Scheme	5,697,610	0.29
25.	Sanjung Nusantara Sdn Bhd	5,657,721	0.29
26.	HSBC Nominees (Asing) Sdn Bhd - TNTC for Kuroto Fund LP	5,547,400	0.29
27.	Kumpulan Wang Persaraan (DIPERBADANKAN)	5,355,300	0.28
28.	Ujud Cergas Sdn Bhd	5,143,373	0.27
29.	HSBC Nominees (Asing) Sdn Bhd - TNTC for M&G Asian Fund	4,949,500	0.26
30.	Malaysia Nominees (Tempatan) Sendirian Berhad - Great Eastern Life Assurance (Malaysia) Berhad (PAR2)	4,670,900	0.24
	TOTAL	**1,704,854,262**	**88.15**

Analysis of Shareholdings

AS AT 29 MAY 2009

SUBSTANTIAL SHAREHOLDERS AS AT 29 MAY 2009

(Based on notifications received by the Company)

			Direct		Indirect	
	Name	Notes	No. of 10 pence shares held	%	No. of 10 pence shares held	%
1.	Khazanah Nasional Berhad		413,829,018	21.40	-	-
2.	All Asia Media Equities Ltd ("AAME")		389,085,872	20.12	-	-
3.	Usaha Tegas Entertainment Systems Sdn Bhd ("UTES")	(a)	90,534,101	4.68	389,085,872	20.12
4.	Usaha Tegas Sdn Bhd ("UTSB")	(b)	-	-	479,619,973	24.80
5.	Pacific States Investment Limited ("PSIL")	(c)	-	-	479,619,973	24.80
6.	Excorp Holdings N.V. ("Excorp")	(d)	-	-	479,619,973	24.80
7.	PanOcean Management Limited ("PanOcean")	(d)	-	-	479,619,973	24.80
8.	Ananda Krishnan Tatparanandam ("TAK")	(e)	-	-	819,082,908	42.35
9.	Harapan Terus Sdn Bhd ("HTSB")	(f)	-	-	177,446,535	9.17
10.	Dato' Haji Badri Bin Haji Masri ("DBM")	(g)&(h)	-	-	177,946,535	9.20
11.	Mohamad Shahrin Bin Merican	(g)	166,600	0.01	177,446,535	9.17
12.	Tun Haji Mohammed Hanif Bin Omar	(g)	-	-	177,446,535	9.17
13.	East Asia Broadcast Network Systems N.V. ("EABNS")		162,016,400	8.38	-	-
14.	East Asia Broadcast Systems Holdings N.V. ("EABSH")	(i)	-	-	162,016,400	8.38
15.	Tucson N.V. ("Tucson")	(j)	-	-	162,016,400	8.38
16.	Employees Provident Fund Board ("EPF")	(k)	142,464,000	7.37	-	-

Analysis of Shareholdings

AS AT 29 MAY 2009

Notes :

(a) Deemed to have an interest in all of the ordinary shares of 10 pence each in ASTRO ("Shares") in which AAME has an interest, by virtue of UTES being entitled to control the exercise of 100% of the votes attached to the voting shares in AAME. In addition to the Shares held via AAME, UTES holds directly 90,534,101 Shares representing 4.68% of the share capital in ASTRO.

(b) Deemed to have an interest in all of the Shares in which UTES has an interest, by virtue of UTSB being entitled to control the exercise of 100% of the votes attached to the voting shares in UTES. Please see Note (a) above.

(c) Deemed to have an interest in all of the Shares in which UTSB has an interest, by virtue of PSIL's direct controlling interest of 9,999,998 ordinary shares of RM1.00 each representing 99.999% of the share capital in UTSB. Please see Note (b) above.

(d) The entire issued and paid-up share capital of PSIL comprising 30,000 shares of £1.00 each are held by Excorp which is deemed to have an interest in all of the Shares in which PSIL has an interest. Please see Note (c) above. The entire issued and paid-up share capital of 6,000 shares of USD1.00 each in Excorp are in turn held by PanOcean. PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of TAK and foundations including those for charitable purposes. Although PanOcean is deemed to have an interest in the Shares through Excorp, it does not have any economic or beneficial interest over these Shares as such interest is held subject to the terms of the discretionary trust.

(e) Deemed to have an interest over 819,082,908 Shares representing 42.35% of the share capital in ASTRO by virtue of the following:

(i) PanOcean's deemed interest in the Shares (please see Note (d) above). Although TAK is deemed to have an interest in the Shares, he does not have any economic or beneficial interest therein as such interest is held subject to the terms of the discretionary trust referred to in Note (d) above.

(ii) The interests of EABNS, Pacific Broadcast Systems N.V. ("PBS"), Home View Limited N.V. ("HVL") and Southpac Investments Limited N.V. ("SIL") which collectively hold 324,032,818 Shares representing 16.75% of the share capital in ASTRO. TAK is deemed to have an interest in the Shares held by EABNS, PBS, HVL and SIL by virtue of his 100% control of the shares in their respective ultimate holding companies viz Tucson, Orient Systems Limited N.V., Home View Holdings N.V. and Southpac Holdings N.V.; and

(iii) The interests of Ujud Cergas Sdn Bhd ("UCSB"), Metro Ujud Sdn Bhd ("MUSB"), Mujur Sanjung Sdn Bhd ("MSSB"), Prisma Gergasi Sdn Bhd ("PGSB") and Ujud Murni Sdn Bhd ("UMSB") which collectively hold 15,430,117 Shares representing 0.80% of the share capital in ASTRO. TAK is deemed to have an interest in the Shares held by UCSB, MUSB, MSSB, PGSB and UMSB by virtue of his 100% control of the shares in their respective ultimate holding companies viz All Asia Radio Broadcast N.V., Global Radio Systems N.V., Maestra International Broadcast N.V., Maestra Global Radio N.V. and Global Broadcast Systems N.V. respectively.

(f) Deemed to have an interest in all of the Shares in which Berkat Nusantara Sdn Bhd, Nusantara Cempaka Sdn Bhd, Nusantara Delima Sdn Bhd, Mujur Nusantara Sdn Bhd, Gerak Nusantara Sdn Bhd and Sanjung Nusantara Sdn Bhd (collectively, "HTSB Subsidiaries") have an interest, by virtue of HTSB being entitled to control the exercise of 100% of the votes attached to the voting shares in the immediate holding companies in each of the HTSB Subsidiaries viz Nusantara Barat Sdn Bhd, Nusantara Kembang Sdn Bhd, Prisma Mutiara Sdn Bhd, Nada Nusantara Sdn Bhd, Cermat Delima Sdn Bhd and Cermat Deras Sdn Bhd respectively. The HTSB Subsidiaries collectively hold 177,446,535 Shares representing 9.17% of the share capital in ASTRO under discretionary trusts for Bumiputera objects. As such, HTSB does not have any economic interest over the Shares held by these companies.

(g) Deemed to have an interest in all of the Shares in which HTSB has an interest (please see Note (f) above), by virtue of his interest over 250,000 shares representing 25% of the issued and paid-up share capital in HTSB. However, he does not have any economic interest over these Shares as such interest is held subject to the terms of the discretionary trusts for Bumiputera objects referred to in Note (f) above.

(h) Deemed to have an interest over 500,000 Shares representing 0.03% of the share capital in ASTRO held by Ratna Pelangi Sdn Bhd ("RPSB"), by virtue of his 99% direct equity interest in RPSB.

(i) Deemed to have an interest in all of the Shares in which EABNS has an interest, by virtue of EABSH being entitled to control the exercise of 100% of the votes attached to the voting shares in EABNS.

(j) Deemed to have an interest in all of the Shares in which EABSH has an interest, by virtue of Tucson's direct controlling interest of 100% of the share capital in EABSH. Please see Note (i) above. The shares of Tucson are bearer shares.

(k) Held by itself and partly through nominee companies managed by portfolio managers.

Analysis of Shareholdings

AS AT 29 MAY 2009

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

(Based on notifications received by the Company)

The interests of the Directors in the shares of the Company are as follows:

Name	No. of shares of 10 pence each		% of issued shares	
	Direct	Indirect	Direct	Indirect
Dato' Haji Badri Bin Haji Masri	-	177,946,535 (a)	-	9.20
Augustus Ralph Marshall	1,000,000 (b)	-	0.05	-
Dato' Mohamed Khadar Bin Merican	250,000 (b)	-	0.01	-
Bernard Anthony Cragg	-	-	-	-
Chin Kwai Yoong	-	-	-	-

(a) Refer to notes (g) and (h) under section on Substantial Shareholders.

(b) Held through a nominee.

The interests of a Director in options over unissued shares of the Company are as follows:

Name	Price per option share	No. of option shares
Augustus Ralph Marshall	RM3.65	1,000,000 (a)
	RM3.65	1,350,000 (b)
	RM4.40	498,800 (c)
	RM4.806	752,000 (d)
	RM4.17	720,000 (e)
	RM4.13	1,477,800 (f)
	RM3.06	1,458,400 (g)
	RM1.76	2,625,000 (h)
		9,882,000

(a) Granted on 22 October 2003 pursuant to the 2003 Employee Share Option Scheme ("ESOS").

(b) Granted on 22 October 2003 pursuant to the 2003 Management Share Incentive Scheme. 1,350,000 out of 1,500,000 share options were vested on 30 April 2007, and are exercisable from 22 October 2007.

(c) Granted on 19 May 2004 pursuant to the 2003 ESOS.

(d) Granted on 11 March 2005 pursuant to the 2003 ESOS.

(e) Granted on 8 May 2006 pursuant to the 2003 ESOS.

(f) Granted on 29 June 2007 pursuant to the 2003 ESOS.

(g) Granted on 23 April 2008 pursuant to the 2003 ESOS.

(h) Granted on 17 March 2009 pursuant to the 2003 ESOS.

None of the Directors has any interest in the shares or options of the subsidiary companies of the Company.

Corporate Information

BOARD OF DIRECTORS

Dato' Haji Badri Bin Haji Masri
Chairman and Non-Executive Director

Augustus Ralph Marshall
Deputy Chairman/Group Chief Executive Officer

Dato' Mohamed Khadar Bin Merican
Non-Executive/Independent Director

Bernard Anthony Cragg
Non-Executive/Independent Director

Chin Kwai Yoong
Non-Executive/Independent Director

COMPANY SECRETARY

Sharon Liew Wei Yee

REGISTERED OFFICE IN MALAYSIA

3rd Floor, Administration Building
All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
Bukit Jalil, 57000 Kuala Lumpur
Malaysia
Telephone No. : 603 9543 6688
Fax No. : 603 9543 6877
Website : www.astroplc.com
Email : info@astroplc.com

REGISTERED OFFICE IN U.K.

10 Upper Bank Street
London, E14 5JJ
United Kingdom
Telephone No. : 44 (0) 20 7006 1000
Fax No. : 44 (0) 20 7006 3467

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 26, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Malaysia
Telephone No. : 603 2721 2222
Fax No. : 603 2721 2530

AUDITORS

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH
United Kingdom

PricewaterhouseCoopers
Level 10, 1 Sentral, Jalan Travers
Kuala Lumpur Sentral
P. O. Box 10192
50706 Kuala Lumpur

STOCK EXCHANGE LISTING

Main Board of Bursa Securities
(Listed since 29 October 2003)
(Stock code: 5076)
(ISIN: GB0066981209)

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

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Sixth Annual General Meeting of ASTRO ALL ASIA NETWORKS plc ("Company") will be held on Monday, 20 July 2009 at 2.30 pm at Ballroom 1, Level 3, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia for the following purposes:

AGENDA

As Ordinary Business

(1) To receive and consider the Annual Report and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 January 2009 and the Reports of the Directors and Auditors thereon. **Resolution 1**

(2) To declare a final tax-exempt dividend of 2.5 sen per ordinary share of 10 pence each for the financial year ended 31 January 2009. **Resolution 2**

(3) To re-appoint Bernard Anthony Cragg, a Director who retires by rotation in accordance with Articles 83 and 84 of the Company's Articles of Association. **Resolution 3**

(4) To re-appoint Chin Kwai Yoong, a Director who retires by rotation in accordance with Articles 83 and 84 of the Company's Articles of Association. **Resolution 4**

(5) To re-appoint PricewaterhouseCoopers LLP as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration. **Resolution 5**

As Special Business

To consider and, if thought fit, to pass the following resolutions:-

(6) Authority to offer and grant options and allot and issue shares to Augustus Ralph Marshall, Deputy Chairman and Group Chief Executive Officer of the Company. **Resolution 6**

"THAT pursuant to Article 4 of the Company's Articles of Association and to the authority of the directors of the Company under the Bye-Laws governing the Company's 2003 Employee Share Option Scheme and 2003 Management Share Incentive Scheme ("ESOS/MSIS") and the terms of the contract of service between the Company and Augustus Ralph Marshall dated 12 June 2009 ("Renewed Contract of Service"), the Directors be and are hereby authorised at any time, and from time to time during the period commencing from the commencement date of the Renewed Contract of Service and expiring on the same date as the expiration date of the Renewed Contract of Service or, if such Renewed Contract of Service shall have been extended for a further one year ("Extended Term"), expiring on the same date as the expiration date of the Extended Term, to offer and grant to Augustus Ralph Marshall, Deputy Chairman and Group Chief Executive Officer of the Company, option or options under the ESOS/MSIS to subscribe for up to a maximum of ten per cent (10%) of the shares which may be made available under the ESOS/MSIS of the Company ("Approval") and to allot and issue shares upon the exercise of such option or options granted pursuant to the Approval provided that not more than fifty per cent (50%) of the shares available under the ESOS/MSIS shall be allocated, in aggregate, to all eligible Directors and other eligible employees holding positions in the senior management of the Company and its subsidiaries at the time when the offer is made, subject always to such terms and conditions of the Bye-Laws and the Renewed Contract of Service and/or any adjustments which may be made in accordance with the provision of the Bye-Laws governing the ESOS/MSIS of the Company."

(7) To transact any other business of which due notice shall have been given in accordance with the United Kingdom Companies Act, 1985 and United Kingdom Companies Act 2006.

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

NOTICE OF DIVIDEND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Sixth Annual General Meeting to be held on Monday, 20 July 2009, a final tax-exempt dividend of 2.5 sen per ordinary share of 10 pence each for the financial year ended 31 January 2009 will be paid on 25 August 2009 to Depositors whose names appear in the Record of Depositors at the close of business on 7 August 2009.

A Depositor will qualify for entitlement to the dividend only in respect of:-

(a) shares transferred to the Depositor's securities account before 4.00 p.m. on 7 August 2009 in respect of transfers; and

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

BY ORDER OF THE BOARD

Sharon Liew Wei Yee (LS7908)
Company Secretary

26 June 2009

3rd Floor, Administration Building
All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong – Sungai Besi
Bukit Jalil
57000 Kuala Lumpur
Malaysia

NOTES:

1. Proxy

(a) A member of the Company entitled to attend and vote may appoint more than one (1) proxy of his/her own choice to attend, speak and vote at a general meeting of the Company instead of him/her provided that each proxy is appointed to exercise the rights attached to different shares. A member who is an authorised nominee as defined in the Malaysian Securities Industry (Central Depositories) Act, 1991 may appoint more than one (1) proxy in respect of each securities account it holds and which is credited with ordinary shares of the Company. A proxy need not be a member of the Company.

(b) If a member who has appointed more than one proxy fails to specify the number of shares in respect of which each such proxy is entitled to exercise the related votes (the "Proxy Share Number") for any of them, then each proxy shall be deemed to exercise the votes in respect of 100% of the member's shares divided by the number of proxies, and if the member specifies the Proxy Share Number for one proxy only, then the other proxies shall be deemed to represent the remainder of the member's shares on an equal basis (or, in the case of an authorised nominee, the number of shares held in the relevant Securities Account).

(c) An instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or by an officer, attorney or other person authorised in that respect.

(d) If the proxy form is returned without an indication as to how the proxy must vote on a particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes.

(e) To be valid, the original Form of Proxy, duly completed, must be deposited with the Company's share registrar, Symphony Share Registrars Sdn Bhd at Level 26, Menara Multi-Purpose, Capital Square, No. 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur, Malaysia, together with the power of attorney or other authority (if any) under which it is signed or a copy of such authority certified notarially, not less than forty-eight (48) hours (excluding any part of a day that is not a working day) before the time appointed for the meeting or adjourned meeting or in the case of a poll taken subsequent to the date of the meeting or adjourned meeting not less than twenty-four (24) hours (excluding any part of a day that is not a working day) before the time appointed for the taking of the poll.

Notice of Annual General Meeting

(f) The lodging of a completed Form of Proxy will not preclude a member from attending and voting in person at the meeting should the member subsequently wish to do so.

(g) For the purposes of determining a member entitled to attend the meeting, the Company will request Bursa Malaysia Depository Sdn Bhd (in accordance with Article 35(D) of the Company's Articles of Association), to issue the Record of Depositors ("ROD") as at 14 July 2009 for determining the depositors who shall be deemed to be the registered holders of the shares of the Company eligible to be present and vote at the meeting. Only a depositor whose name appears on the ROD as at 14 July 2009 shall be entitled to attend the meeting.

2. Corporate Representative

During a poll, (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then those corporate representatives will give voting directions to the Chairman and the Chairman will vote as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will then vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on "Proxies and Corporate Representatives" (www.icsa.org.uk) for further details of this procedure. A copy of the guidance note may also be obtained from the Company Secretary. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

3. Additional Information

A statement accompanying this notice which includes additional information as required under Appendix 8A of the Listing Requirements of Bursa Securities is attached hereto as Annexure A.

4. Annual Report and Audited Financial Statements (Resolution 1)

For each financial year, the Directors must present the Directors' Report, the Audited Financial Statements and the Independent Auditors' Report to the Company's shareholders at a general meeting. Although there is no requirement under the UK Companies Act to table a resolution on these for shareholders' approval, the Directors are of the view that a resolution on these should be submitted for shareholders to vote on, in the interest of good governance and in line with international best practice.

5. Retirement and Re-appointment of Directors (Resolutions 3 and 4)

In accordance with Articles 83 and 84 of the Company's Articles of Association ("Articles"), at least one-third of the Directors who are subject to retirement by rotation shall retire from office. Bernard Anthony Cragg ("BC") and Chin Kwai Yoong ("CKY"), being the Directors who have been longest in office since their last appointment shall retire pursuant to Articles 83 and 84 of the Articles and being eligible, offer themselves for re-appointment pursuant to Article 85 of the Articles. Based on the annual evaluation of directors' performance, the Board of Directors ("Board") believes that BC and CKY continue to be effective and demonstrate commitment to their roles. The Board is therefore pleased to recommend the re-appointment of BC and CKY as Directors of the Company.

6. Re-appointment of Auditors (Resolution 5)

At every general meeting at which financial statements are presented to the Company's shareholders, the Company is required to appoint independent auditors to serve until the next general meeting. The existing Auditors, PricewaterhouseCoopers LLP, have indicated that they are willing to continue as the Company's Auditors for the ensuing year.

EXPLANATORY NOTE ON SPECIAL BUSINESS

Authority to offer and grant options and allot and issue shares to Augustus Ralph Marshall, Deputy Chairman and Group Chief Executive Officer of the Company (Resolution 6)

Ordinary Resolution 6, if passed, is to give the Directors of the Company flexibility under the Bye-Laws governing the Company's 2003 Employee Share Option Scheme and 2003 Management Share Incentive Scheme ("ESOS/MSIS") and under the terms of the contract of service between the Company and Augustus Ralph Marshall dated 12 June 2009 ("Renewed Contract of Service"), to offer and grant options to Augustus Ralph Marshall, Deputy Chairman and Group Chief Executive Officer of the Company, to subscribe for up to a maximum of ten per cent (10%) of the shares which may be made available under the ESOS/MSIS and to allot and issue shares upon the exercise of such option or options without having to convene a general meeting subject to the limitation that not more than fifty per cent (50%) of the shares available under ESOS/MSIS shall be allocated, in aggregate, to all eligible Directors and other eligible employees holding positions in the senior management of the Company and its subsidiaries. This authority commences from 2 September 2009, the commencement date of the Renewed Contract of Service, and expires on 1 September 2011, the expiration date of the Renewed Contract of Service. The term of the Renewed Contract of Service may be extended for a further one year from its expiry on such terms and conditions as may be mutually agreed upon. Augustus Ralph Marshall is interested in the proposed Resolution and has abstained from all deliberations and voting at the Board meetings on the proposed Resolution, and will abstain from any future deliberations and voting at the Board meetings to offer and grant options to him. He has also undertaken to abstain from voting in respect of his direct shareholdings in the Company at the AGM. In addition, he has undertaken to ensure that persons connected to him will abstain from voting on the proposed Resolution at the AGM.

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

Statement Accompanying Notice of Sixth Annual General Meeting

PURSUANT TO PARAGRAPH 8.28(2) OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

ANNEXURE A

Further details of individuals who are standing for re-appointment as directors:

(i) Bernard Anthony Cragg

Age	54
Nationality	British
Qualification	A Chartered Accountant by profession and has a degree in Mathematics from Liverpool University
Position in the Company	He is an Independent Non-Executive Director, the Chairman of the Audit Committee and a Member of the Nomination and Corporate Governance Committee in September 2003
Working Experience and Occupation	He formerly held various senior management positions in Carlton Communication plc (listed on the London Stock Exchange plc) for over 17 years including as its Group Financial Controller, Company Secretary and Group Finance Director. He has previously served as chairman of Datamonitor plc and i-mate plc (both listed on the London Stock Exchange plc) as well as a director of Arcadia Group plc and Bristol and West Plc, a part of the Bank of Ireland (UK) Financial Services. He is currently a director of Workspace Group plc and Mothercare plc, both listed on the London Stock Exchange plc
Other directorship of public companies incorporated pursuant to the Malaysian Companies Act, 1965	None
Details of any interest in the securities of the Company and its subsidiaries	None
Family relationship with any director and/or major shareholder of the Company	None
Conflict of interest that he has with the Company	None
List of convictions for offences within the past 10 years other than traffic offences, if any (only for penalties made public)	None

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

Statement Accompanying Notice of Sixth Annual General Meeting

PURSUANT TO PARAGRAPH 8.28(2) OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

(ii) Chin Kwai Yoong

Age	60
Nationality	Malaysian
Qualification	Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Certified Public Accountants as well as the Malaysian Institute of Accountants
Position in the Company	He is an Independent Non-Executive Director, the Chairman of the Remuneration Committee and Member of the Audit Committee as well as the Nomination and Corporate Governance Committee in March 2006
Working Experience and Occupation	He has extensive experience in the audits of major companies in the banking, oil & gas and automobile industries as well as in the heavy equipment, manufacturing, construction and property development sectors. He was also involved in corporate advisory services covering investigations, mergers & acquisitions and share valuations.
Other directorship of public companies incorporated pursuant to the Malaysian Companies Act, 1965	Deleum Berhad Genting Berhad
Details of any interest in the securities of the Company and its subsidiaries	None
Family relationship with any director and/or major shareholder of the Company	None
Conflict of interest that he has with the Company	There is no conflict of interest
List of convictions for offences within the past 10 years other than traffic offences, if any (only for penalties made public)	None

ASTRO ALL ASIA NETWORKS plc

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

Form of Proxy

I/We, ______________________________ NRIC/Passport/Company No. ______________
(FULL NAME OF MEMBER APPOINTING PROXY IN BLOCK LETTERS)

of ______________________________
(FULL ADDRESS IN BLOCK LETTERS)

hereby appoint ______________________________ NRIC/Passport No. ______________
(FULL NAME OF PROXY IN BLOCK LETTERS) ("Proxy 1")

of ______________________________
(FULL ADDRESS IN BLOCK LETTERS)

and/or ______________________________ NRIC/Passport No. ______________
(FULL NAME OF PROXY IN BLOCK LETTERS) ("Proxy 2")

of ______________________________
(FULL ADDRESS IN BLOCK LETTERS)

or failing him/her, THE CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us on my/our behalf at the Sixth Annual General Meeting of the Company to be held on Monday, 20 July 2009 at 2.30 pm at the Ballroom 1, Level 3, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia and at any adjournment thereof.

Subject to any voting instructions given below, the proxy will exercise his/her discretion as to how he/she votes and whether or not he/she abstains from voting on any resolution, by whomsoever proposed (including, without limitation, any resolution to amend a resolution or to adjourn the meeting).

Please indicate how you wish to cast your votes by inserting a "✓" in the space provided.

	Resolution	**For**	**Against**	**Vote Withheld** *(refer to Note 1(e))*
1.	To receive and consider the Annual Report and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 January 2009 and the Reports of the Directors and Auditors thereon.			
2.	To declare a final tax-exempt dividend of 2.5 sen per ordinary share of 10 pence each for the financial year ended 31 January 2009.			
3.	To re-appoint Bernard Anthony Cragg, a Director who retires by rotation in accordance with Articles 83 and 84 of the Company's Articles of Association.			
4.	To re-appoint Chin Kwai Yoong, a Director who retires by rotation in accordance with Articles 83 and 84 of the Company's Articles of Association.			
5.	To re-appoint PricewaterhouseCoopers LLP as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration.			
6.	Special Business – Ordinary Resolution Authority to offer and grant options and to allot and issue shares to Augustus Ralph Marshall, Deputy Chairman and Group Chief Executive Officer of the Company.			

Dated this ____________ day of ____________ 2009.

____
Signature of Member(s)

(If the appointor is an attorney or a corporation please see Note 1(c) on the following page)

The proportions of my/our holding to be represented by my/our proxies are as follows:-

	No. of Shares	Percentage
Total shares held		100%
Proxy 1		
Proxy 2		

Please use separate proxy form for appointment of more than two proxies.

Notes:

(1) Proxy

(a) A member of the Company entitled to attend and vote may appoint more than one (1) proxy of his/her own choice to attend, speak and vote at a general meeting of the Company instead of him/her provided that each proxy is appointed to exercise the rights attached to different shares. A member who is an authorised nominee as defined in the Malaysian Securities Industry (Central Depositories) Act, 1991 may appoint more than one (1) proxy in respect of each securities account it holds and which is credited with ordinary shares of the Company. A proxy need not be a member of the Company.

(b) If a member who has appointed more than one proxy fails to specify the number of shares in respect of which each such proxy is entitled to exercise the related votes (the "Proxy Share Number") for any of them, then each proxy shall be deemed to exercise the votes in respect of 100% of the member's shares divided by the number of proxies, and if the member specifies the Proxy Share Number for one proxy only, then the other proxies shall be deemed to represent the remainder of the member's shares on an equal basis (or, in the case of an authorised nominee, the number of shares held in the relevant Securities Account).

(c) An instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or by an officer, attorney or other person authorised in that respect.

(d) If the proxy form is returned without an indication as to how the proxy must vote on a particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes.

(e) The *"Vote Withheld"* option is provided to enable you to abstain on any particular resolution. However, it should be noted that a *"Vote Withheld"* is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution.

(f) To be valid, the original Form of Proxy, duly completed, must be deposited with the Company's share registrar, Symphony Share Registrars Sdn Bhd at Level 26, Menara Multi-Purpose, Capital Square, No. 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur, Malaysia, together with the power of attorney or other authority (if any) under which it is signed or a copy of such authority certified notarially, not less than forty-eight (48) hours (excluding any part of a day that is not a working day) before the time appointed for the meeting or adjourned meeting or in the case of a poll taken subsequent to the date of the meeting or adjourned meeting not less than twenty-four (24) hours (excluding any part of a day that is not a working day) before the time appointed for the taking of the poll.

(g) The lodging of a completed Form of Proxy will not preclude a member from attending and voting in person at the meeting should the member subsequently wish to do so.

(h) For the purposes of determining a member entitled to attend the meeting, the Company will request Bursa Malaysia Depository Sdn Bhd (in accordance with Article 35(D) of the Company's Articles of Association), to issue the Record of Depositors ("ROD") as at 14 July 2009 for determining the depositors who shall be deemed to be the registered holders of the shares of the Company eligible to be present and vote at the meeting. Only a depositor whose name appears on the ROD as at 14 July 2009 shall be entitled to attend the meeting.

(2) Corporate Representative

During a poll, (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then those corporate representatives will give voting directions to the Chairman and the Chairman will vote as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will then vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on "Proxies and Corporate Representatives" (www.icsa.org.uk) for further details of this procedure. A copy of the guidance note may also be obtained from the Company Secretary. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

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STAMP

Symphony Share Registrars Sdn Bhd
Level 26, Menara Multi-Purpose, Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Malaysia

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Regional Offices

MALAYSIA

ASTRO ALL ASIA NETWORKS plc
All Asia Broadcast Centre
Technology Park Malaysia
Lebuhraya Puchong-Sungai Besi
Bukit Jalil
57000 Kuala Lumpur
Malaysia
Telephone No. : +603 9543 6688
Fax No. : +603 9543 6877
Website : www.astroplc.com
E-mail : info@astroplc.com

CHINA

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Shaw Administration Building
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Fax No. : +852 2243 1100

Beijing Celestial Channel Consulting Limited
6/F, Unit 2, Tayuan Diplomatic Office Building
14 Liangmahe Nan Lu,
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INDIA

MBNS India
104/5 Parmanand Estate
Maharani Bagh
110065 New Delhi
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Telephone No. : +91 (11) 4162 6531
Fax No. : +91 (11) 4132 8344

ASTRO ALL ASIA NETWORKS plc

ASTRO ALL ASIA NETWORKS plc
(994178-M)

All Asia Broadcast Centre,
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