

# BNP PARIBAS

## Asean Corporate Day in Singapore

*Grant Ferguson  
Chief Financial Officer  
20 January 2009*



# Agenda

- **Who We Are, What We Do**
  
- **Operational Review**
  - **Astro TV**
  - **Radio**
  - **TV programming**
  
- **Regional Update**
  
- **Financial Summary**
  
- **Outlook**

DISCLAIMER: Some of the statements made in this presentation are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the directors and management of ASTRO about its business and the industry and markets in which it operates.

These forward-looking statements include, without limitation, statements relating to revenues and earnings. The words "believe", "anticipate", "expect", "estimate", "intend", "project" and similar expressions are also intended to identify forward-looking statements.

These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors some of which are beyond the control of ASTRO and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. ASTRO does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.

## Our Position



- Sole provider of satellite DTH TV service in Malaysia (exclusive DTH rights till 2017)
- Biggest pay-TV operator in Southeast Asia with 2.56M residential subscribers
- 44% penetration of Malaysia TV households
- Leading commercial radio operator
- Leading multi-language content producer, aggregator and distributor

# Our Strengths

- Extensive customer reach Measat 3 footprint
- State-of-the-art infrastructure at two fully digitised facilities
- Strong relationships with global content producers, channel owners
- Radio and content businesses are industry leaders
- Expertise and experience in catering to multi-ethnic, multi-cultural audience
- Strong balance sheet, highly cash-generative business

# Our Strategy

## Domestic

- Continued improvement in customer service and enhancement of the viewer experience
- Enter under-served and untapped market segments to increase penetration
- Promote local content creation and broadening of channel offerings
- Keep up radio leadership while enlarging pie

## International

- Expansion of DTH, content & radio businesses across complementary markets

# Our Reach

*Delivering digital TV, radio and data services....*



**Over 2.5 million households and  
12.5 million viewers**



**~11 million weekly listeners**

## ASTRO'S ECOSYSTEM



**~13 million internet users**



**~22 million mobile phone users**

*...over satellite, terrestrial, wireless and internet networks*

# Significant Content Player

## Channels Producer & Content Aggregator:

- Celestial Movies
- Wa TV
- 25 Astro-branded channels



## Strong Ties with Key International Content Players:

- HBO
- Disney
- TVB and so on



## Producer of Signature Local Programmes:

- Akademi Fantasia
- Sehati Berdansa
- Raja Lawak
- Tom Tom Bak and others

.....with 25 Astro proprietary channels

Bahasa Malaysia & Bahasa Indonesia	
Chinese	
Indian	
Pay per view	
Interactive	
News	
Music	

**PLUS**

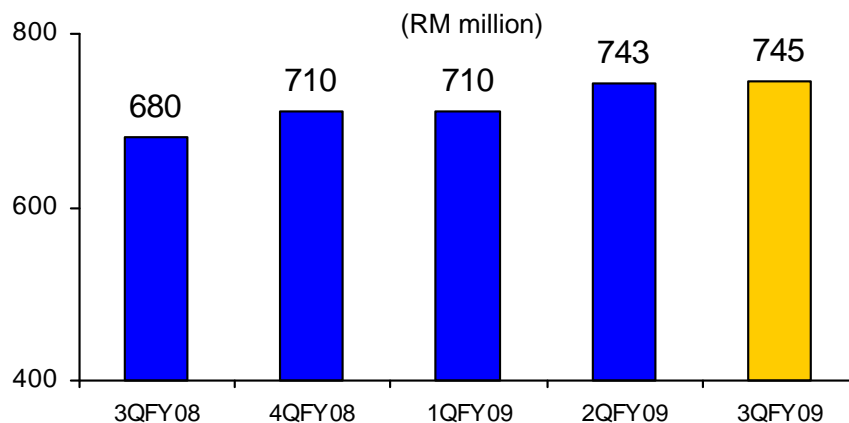
Up to 30 channels

Astro on Demand	
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# Group sustains revenue growth; EBITDA eases

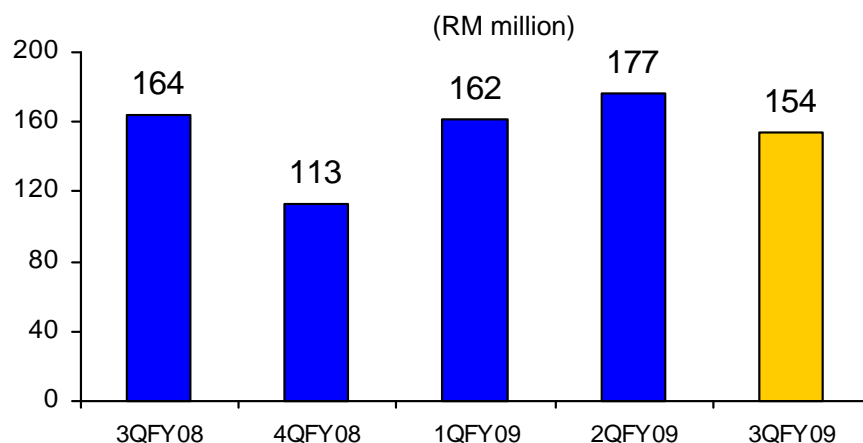


## Group Revenue



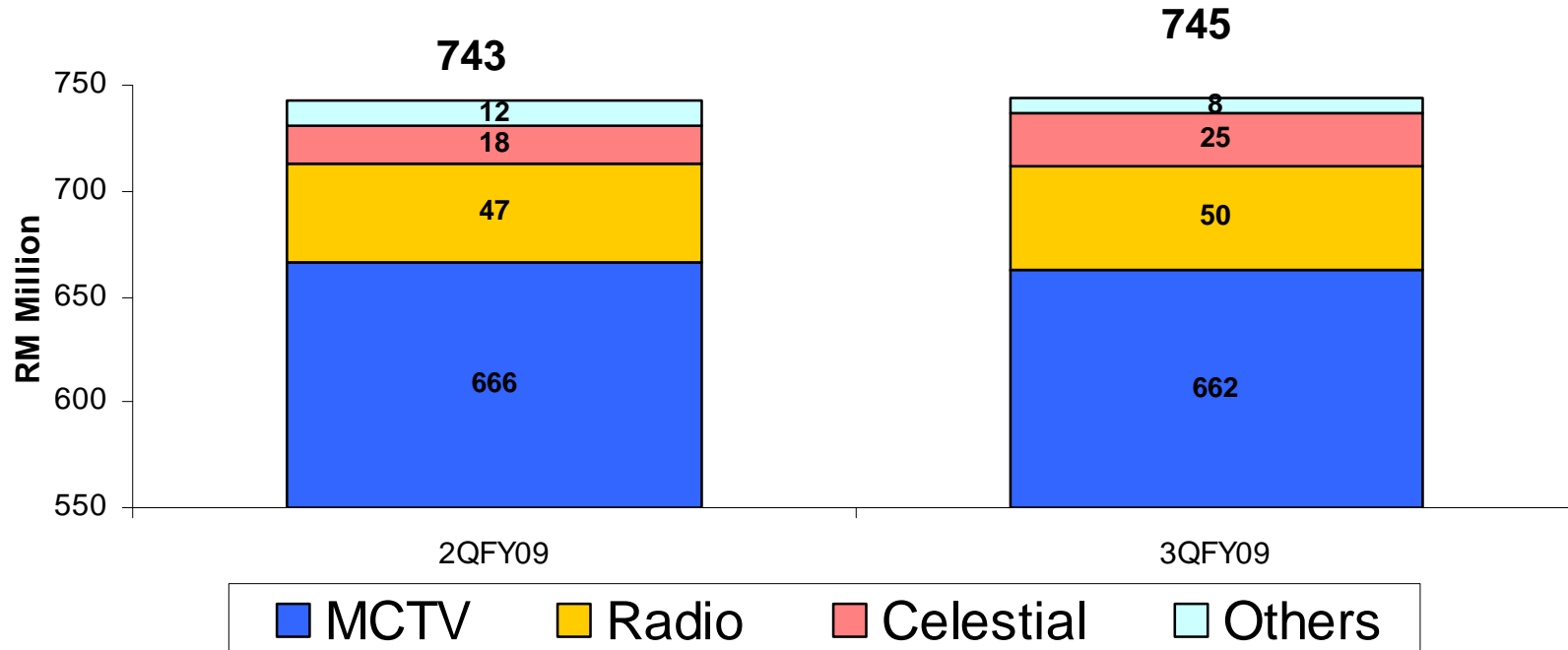
Group revenue was up 10% y-o-y due to improved pay-TV subscription and radio revenues.

## EBITDA



EBITDA declined 13% q-o-q and 6% y-o-y primarily due to higher content and other operating costs, partially offset by revenue growth.

# Revenue Breakdown by Business Segments



# Regional Investments Continue to Impact Performance



RM million	3QFY09	2QFY09	Q-o-Q (%)	3QFY08	Y-o-Y (%)
Revenue	745	743	0.3	680	9.6
EBITDA	154 <sup>1</sup>	177 <sup>1</sup>	-13	164 <sup>1</sup>	-6
EBITDA margin (%)	21	24	-3pp	24	-3pp
Profit/(Loss) after Tax & MI	(250)	(247)	n/m	34	n/m
<i>Costs incurred for Indonesia venture *</i>	(264)	(309)	n/m	(61)	n/m
<i>Share of associate losses for India Pay TV</i>	(12)	(14)	n/m	-	n/m

1 – Excludes Indonesia

\*- Amounts related to costs of cessation of the DTH business proposal in Indonesia and previous expenses incurred in its development

# Balance sheet reflects regional investment

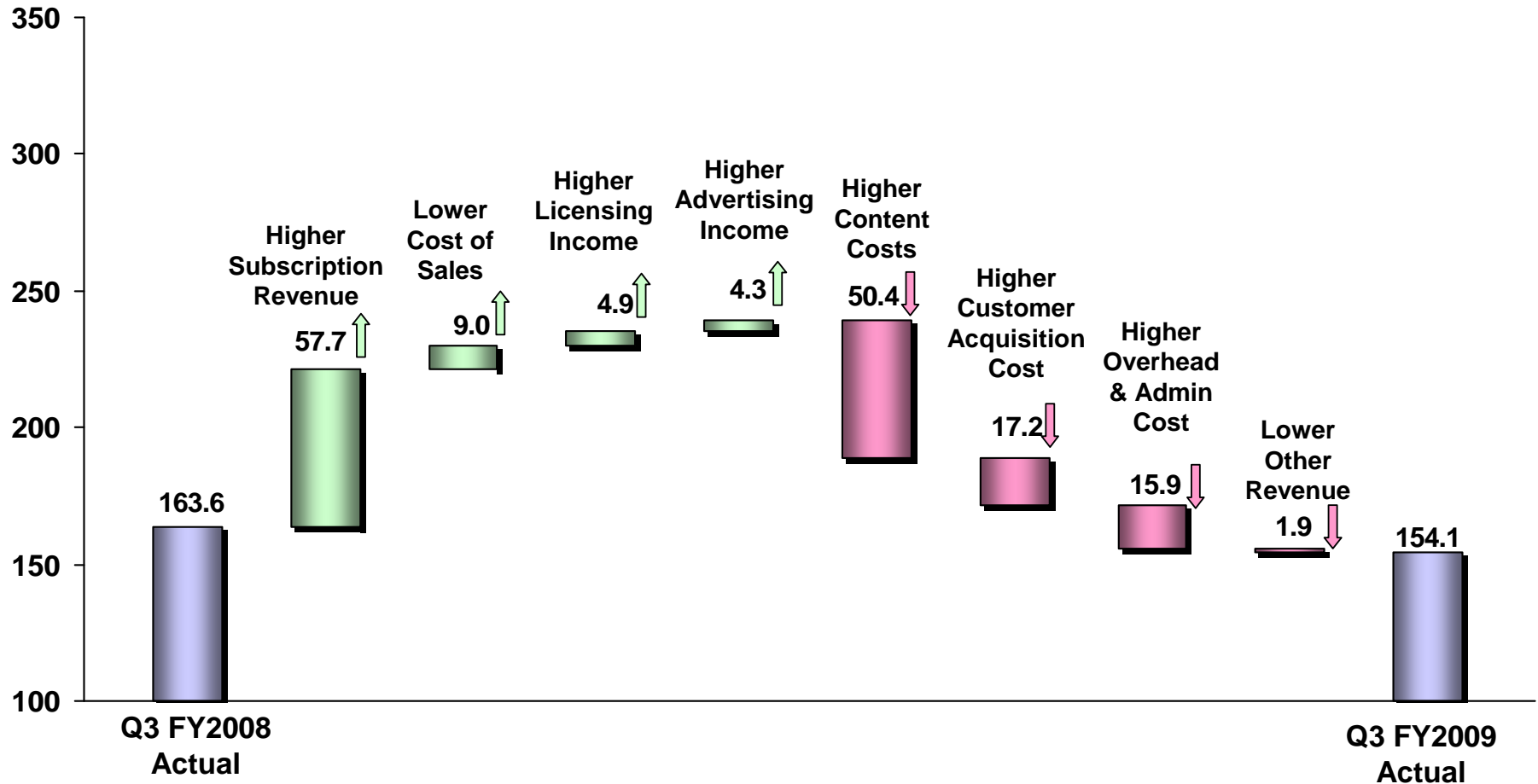


RM million	As at 31/10/08	As at 31/07/08	As at 31/10/07
Cash	1,128	1,082	1,068
Debt	1,498 <sup>1</sup>	1,159 <sup>1</sup>	383
Net Cash	-	-	685
Total Equity	932	1,261	1,718
Debt / Equity (Times)	1.61x	0.92x	0.22x
Net Assets per share (RM)	0.48	0.65	0.89

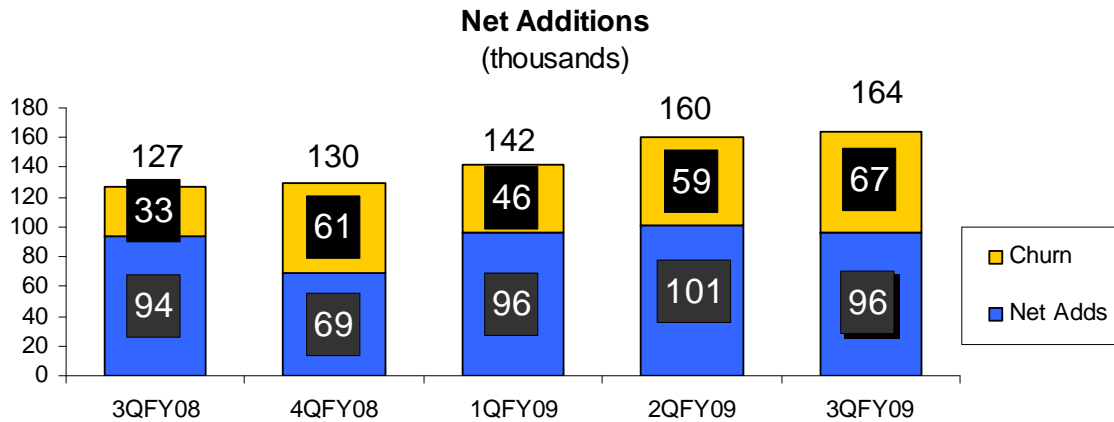
1- Includes drawdown of loan facility for India JV investment

# Group EBITDA (Actual Q3 FY2009 vs Actual Q3 FY2008)

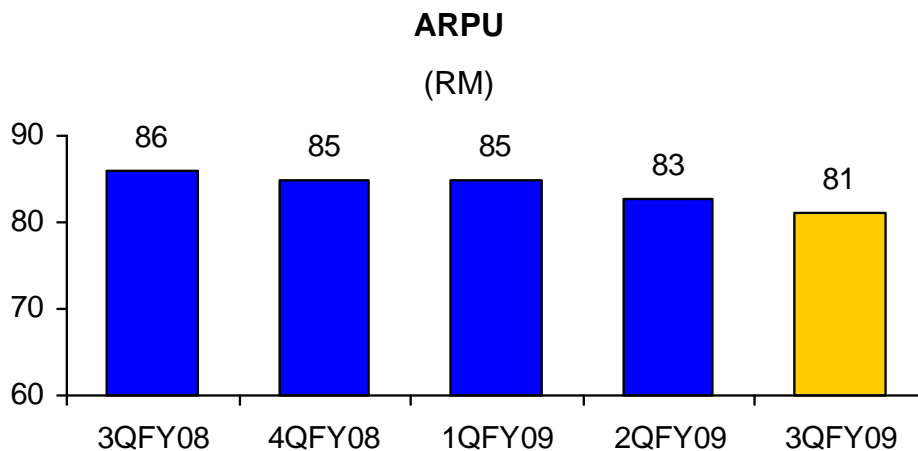
## EBITDA (RM'Ms)



# Astro-TV keeps up subscriber growth

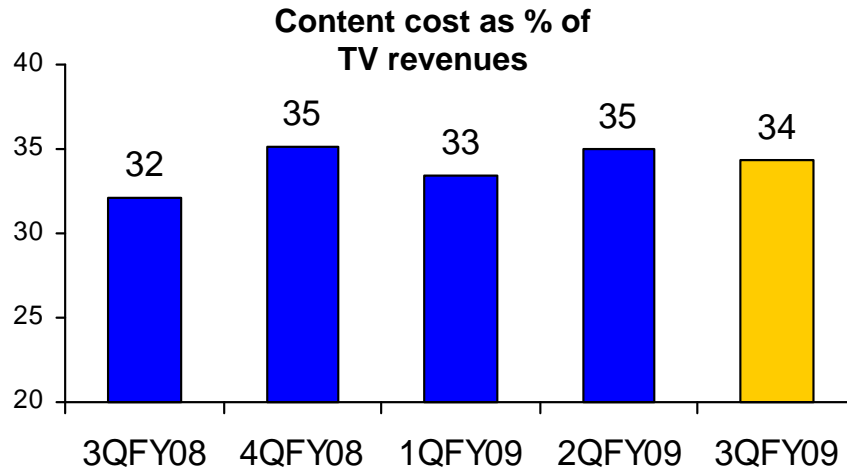


Another new record for gross additions in a quarter, bringing penetration to 44%.

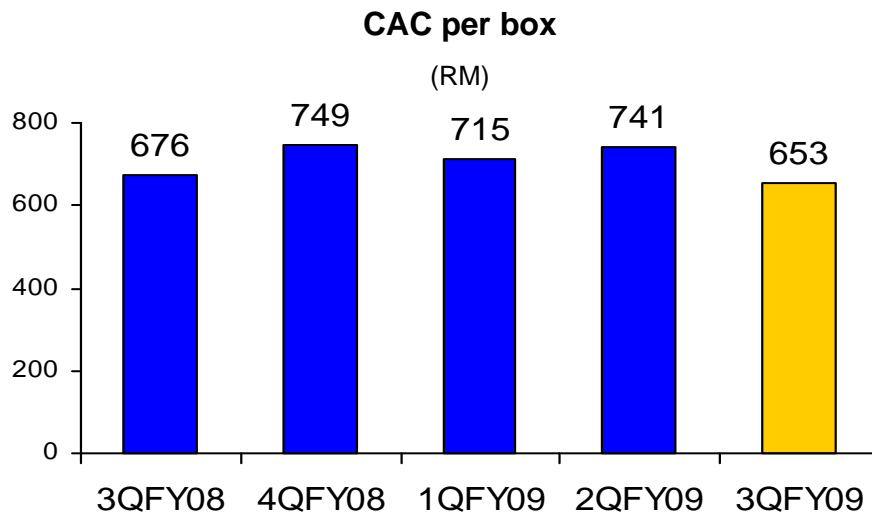


ARPU down from Q2 as new customers mostly from semi-urban and more rural markets.

# Astro TV meets key performance indicators

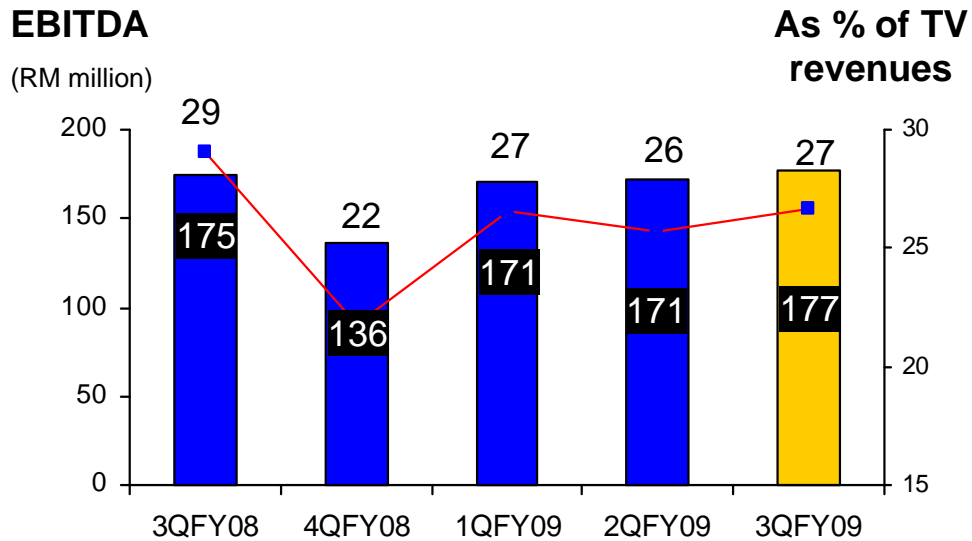


Content costs decrease marginally mainly due to no major sports event such as EURO compared to Q2.



Lower CAC per box is due to lower subsidy for set-top box and marketing costs.

# Astro TV financial performance positive



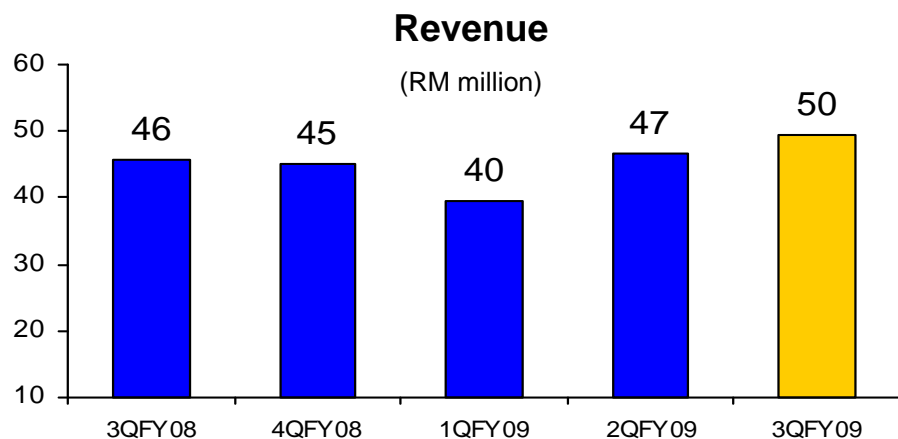
Higher EBITDA due to better cost management.

## Bringing world-class knowledge to schools

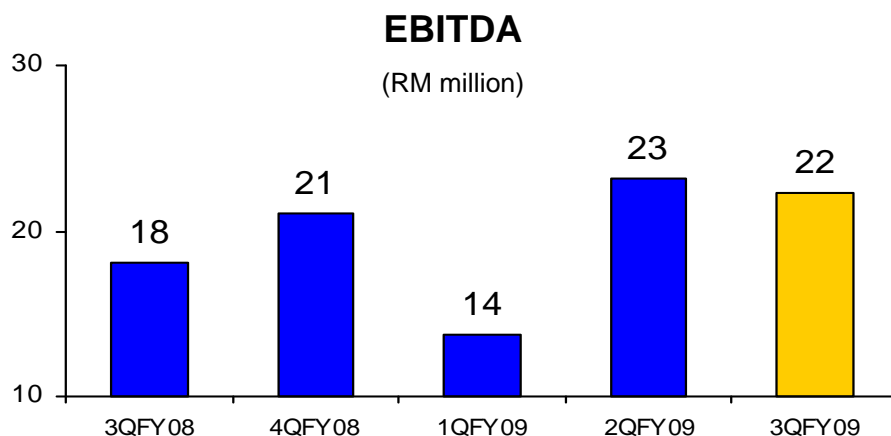
- Launched in November 2008, Kampus Astro aims to bring world-class educational and informative content and experiences into Malaysian classrooms so as to inspire lifelong learning.
- More than RM30m will be invested in this corporate responsibility initiative to provide 11 learning channels, PVR and TV sets to 10,000 government schools all over the country.
- This 3-year programme will start in Sabah and Sarawak in early 2009.



# Radio business grows revenue



Revenue up 6% Q-o-Q and higher 9% Y-o-Y, due to continued demand from advertisers

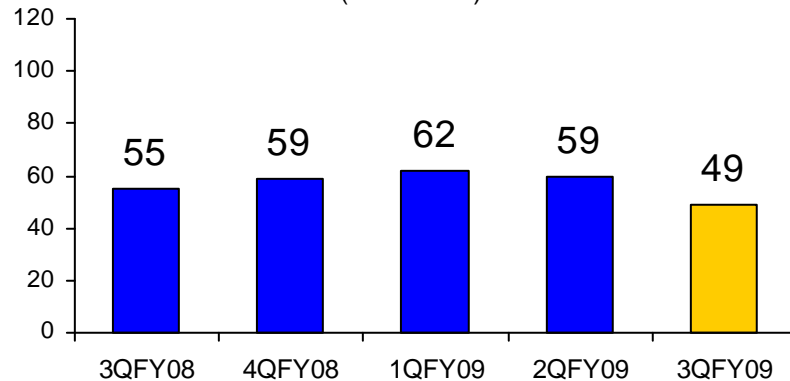


EBITDA slightly down Q-o-Q due to higher overheads and administrative costs offset by higher advertising revenue.

# TV Programming revenue eases

## Revenue

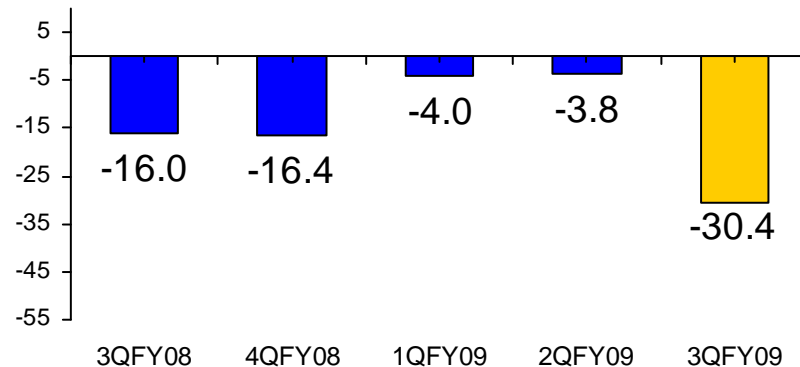
(RM million)



Revenue from TV programming lower by 17% Q-o-Q and 11% Y-o-Y, due to lower licensing income.

## EBITDA

(RM million)



EBITDA, while in negative dipped further, as a result of lower revenue and higher content costs.

# India subscriber growth robust

## Sun Direct TV update

- Growth strong with subscriber base exceeding 1.8 million
- 3Q ARPU: INR73 (USD1.69/RM5.59)
- Offering 100+ channels
- To date, Group has invested RM454m in Sun Direct TV
- Service rolls out in northern and western India

## India DTH industry update

- More competition as Reliance launches DTH service in June 2008, Bharti in October 2008

# Indonesia Update: PTDV situation addressed



- Group filed a notice of arbitration on 6 October with the Singapore International Arbitration Centre against Lippo Group seeking declaratory and injunctive relief and monetary compensation.
- Group ceased all support and services to and terminates the Astro trademark licence agreement with PT Direct Vision from 0001 hours on 20 October.
- Group will appeal at the Supreme Court against the Central Jakarta Court dismissal of an appeal by AAAN subsidiary All Asia Multimedia Networks against the KPPU ruling of 29 August.
- After further consideration of carrying value of certain assets, commitments, and their recoverability in context of current economic conditions and ongoing litigation, Group made further provisions in 3QFY09 of RM264m for certain broadcast equipment and intellectual property rights.

# Outlook



- Sales & marketing efforts in under-penetrated markets will continue
- Cost management measures will be constantly assessed and enhanced
- Investment in local TV content will remain in place to ensure steady pipeline of signature programming
- Radio subsidiary will focus on keeping premium position as competition intensifies
- Execution of regional investments to remain key focus

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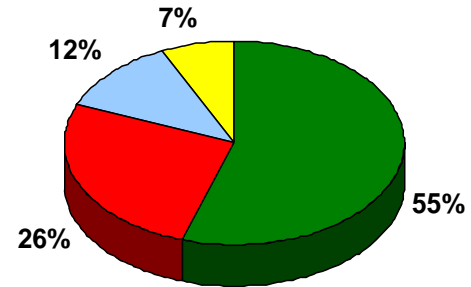
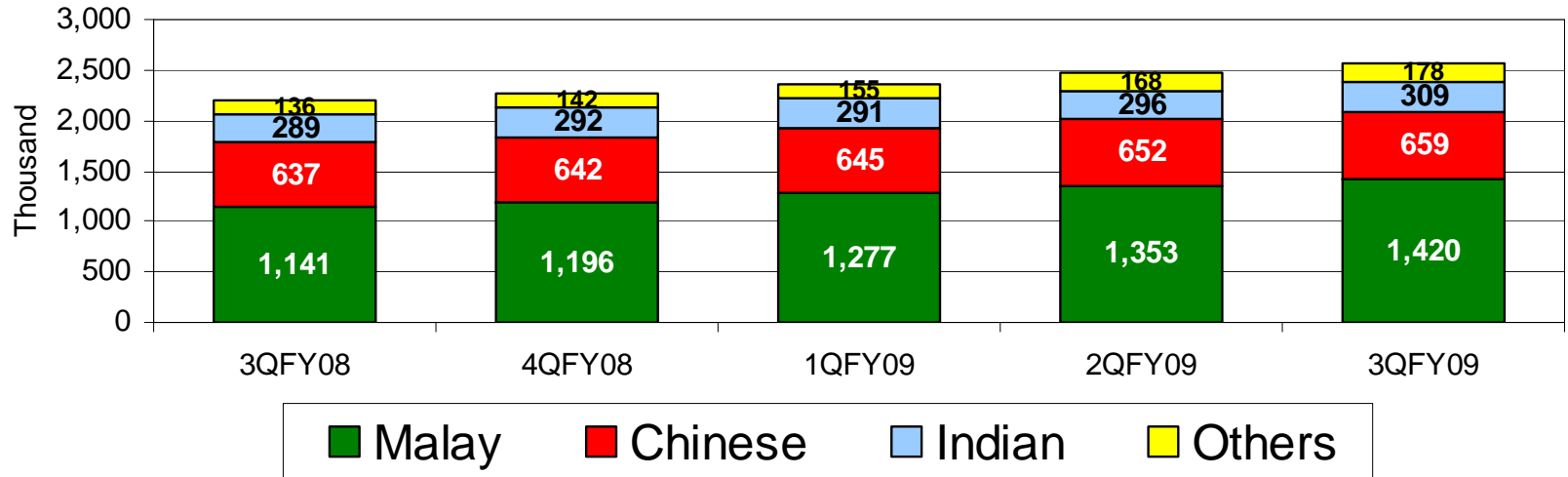
# TV– Key Metrics

KPI Summary	Q1	Q2	Q3	Q4	FY08	Q1FY09	Q2FY09	Q3FY09
Gross additions ('000)	111	104	127	130	472	142	160	164
Churn ('000)	46	76	33	61	216	46	59	67
Net additions ('000)	65	28	94	69	256	96	101	96
End customers ('000)	2,081	2,109	2,203	2,272	2,272	2,368	2,469	2,565
MAT Churn (%)	7.8	9.8	9.9	10.1	10.1	9.8	8.7	9.8
ARPU (RM)	77.3	81.8	86.0	85.4	82.4	85.3	82.7	80.6
CAC/unit (RM)	638.9	718.4	676.2	748.8	697.7	715.0	741.0	653.3
Content Costs Per Customer (RM)	26.6	28.7	30.0	32.3	29.5	32.0	31.9	29.8
Content costs % of revenue	31.4	32.2	32.1	35.1	32.8	33.5	35.0	34.3
Revenue (RM'm)	527.4	566.0	607.3	624.6	2,325.3	643.6	666.2	662.0
EBITDA (RM'm)	131.0	162.6	174.8	136.4	604.8	171.3	171.4	176.6
EBITDA margin (%)	24.8	28.7	28.8	21.8	26.0	26.6	25.7	26.7

# TV – Penetration Rates

<b>By Ethnic Group (%)</b>			
	<b>3QFY09</b>	<b>2QFY09</b>	<b>3QFY08</b>
<b>Malay</b>	47	45	39
<b>Chinese</b>	45	45	46
<b>Indian</b>	72	69	69
<b>Others</b>	20	19	16
<b>Total</b>	44	43	39

# TV - Subscriber Profile

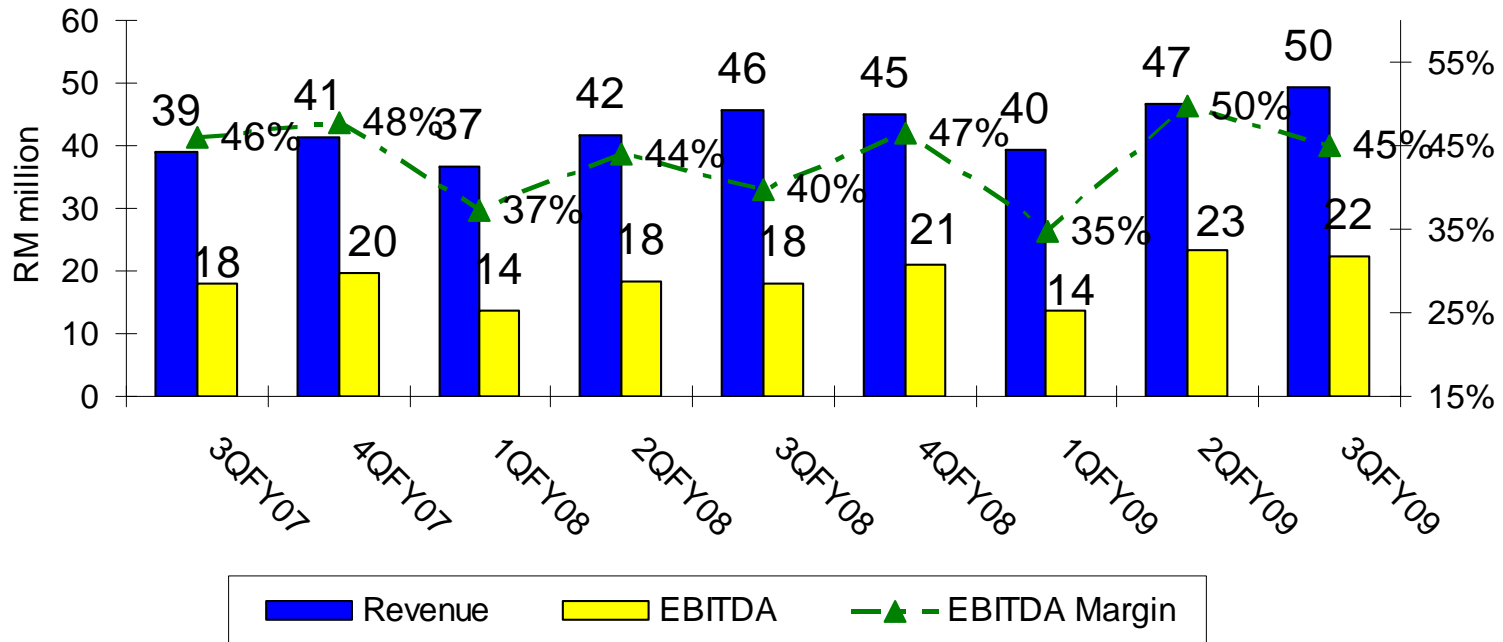


# Radio: Maintaining leadership and margins



- AMP share of radio adex was 62.3% in 3QFY09.
- Radio adex was consistent with last quarter at 4.7% of total adex.
- Revenue of RM49.5m was higher than last quarter.
- EBITDA margin at 45% in 3QFY09

Radio Revenue & EBITDA



# Radio

Key Metrics & Financial Summary	3QFY09	2QFY09	3QFY08
<b>Listeners</b>			
<b>Total Listeners (million)</b>	11.0	10.4	10.6
<b>Total Listener Share (%)</b>	51.2	50.0	49.5
<b>Advertising Income</b>			
<b>Radio Industry Share</b>	4.7	4.7	4.6
<b>AMP share of Radio Adex (%)</b>	62.3	65.6	66.3
<b>Total Fill Rates (%)</b>	44.0	42.0	40.4
<b>RM Million</b>			
<b>Revenue</b>	49.5	46.6	45.6
<b>EBITDA</b>	22.3	23.2	18.1
<b>EBITDA Margin (%)</b>	45.1	49.8	39.7
<b>Free Cash Flow</b>	2.6	24.5	2.5
<b>Profit After Tax</b>	17.7	20.9	15.4

Source: Radio Listenership Survey Sweep 2, 2008, Sweep 1, 2008 and Sweep 1, 2007 by Nielsen Media Research (NMR) in August 2008, April 2008 and September 2007 respectively. NMR Adex Report

# TV Programming

Key Metrics & Financial Summary	3QFY09	2QFY09	3QFY08
Channel Share – Malaysia (%)*	33.8	35.4	26.2
<i>RM Million</i>			
Revenue	49.2	59.3	54.8
EBITDA	(30.4)	(3.8)	(16.0)
EBITDA Margin (%)	n/m	n/m	n/m

\* Based on data generated by the AGB Nielsen Media Research Television Audience Measurement service for the quarter

**END**