

CHAIRMAN'S STATEMENT

The Board of Directors (the "Board") of APT Satellite Holdings Limited (the "Company") hereby announces the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2003.

The interim financial report has been reviewed by the Company's audit committee and the auditors.

RESULTS

The Group's turnover and consolidated net loss attributable to shareholders amounted to HK\$151,261,000 (2002: HK\$176,644,000) and HK\$162,743,000 (2002: profit of HK\$30,632,000) respectively. Basic loss per share was HK39.45 cents (2002: earnings of HK7.42 cents).

INTERIM DIVIDEND

In view of the loss recorded for the first half of 2003 and in line with the need of the Group's future development, the Board has resolved not to declare an interim dividend for the six months ended 30 June 2003 (2002: Nil).

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2003
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
		2003	2002
		\$'000	\$'000
		(Unaudited)	(Unaudited)
	Notes		
Turnover	3	151,261	176,644
Cost of services		(141,769)	(132,255)
		9,492	44,389
Write-back of provision on regulatory matters	4	–	23,400
Other operating income		5,026	15,586
Impairment loss on fixed assets	5	(92,438)	–
Administrative expenses		(31,584)	(31,394)
(Loss)/profit from operations	3	(109,504)	51,981
Share of results of jointly controlled entities		(54,345)	(5,074)
(Loss)/profit from ordinary activities before taxation	6	(163,849)	46,907
Taxation	7	622	(16,969)
(Loss)/profit from ordinary activities after taxation		(163,227)	29,938
Minority interests		484	694
Net (loss)/profit attributable to shareholders		(162,743)	30,632
(Loss)/earnings per share	9		
– Basic		(39.45) cents	7.42 cents
– Diluted		(39.45) cents	7.40 cents