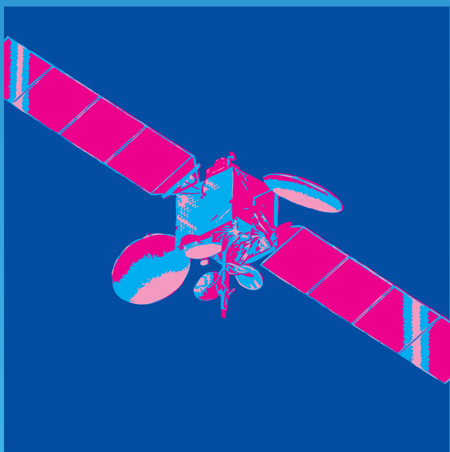
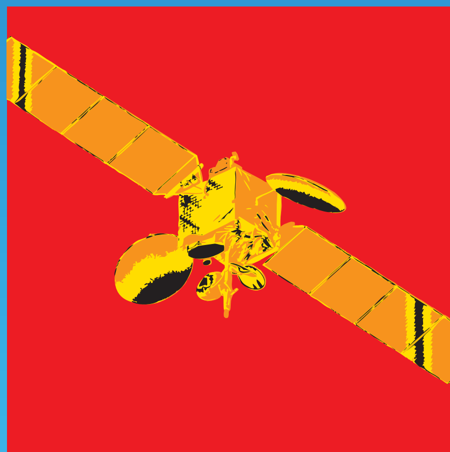
AWARDS
SPECIAL EDITION

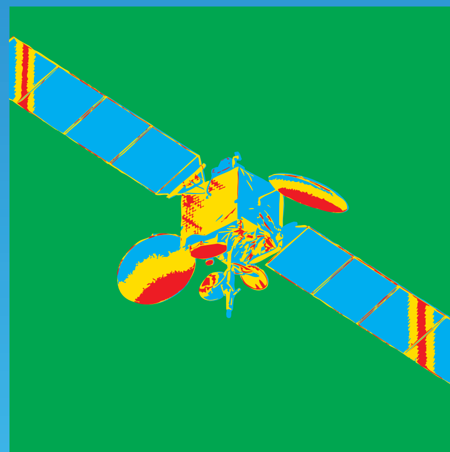
AsiaSat brings you

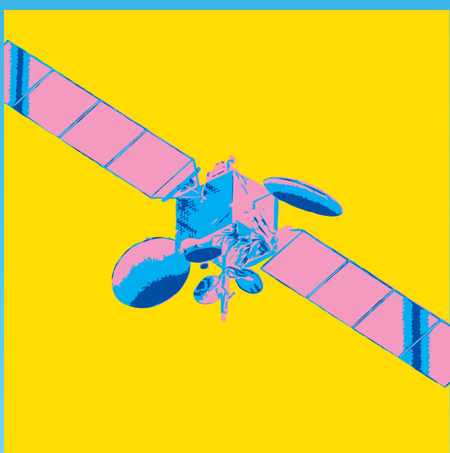
Infotainment

Lifestyle, Education and Business

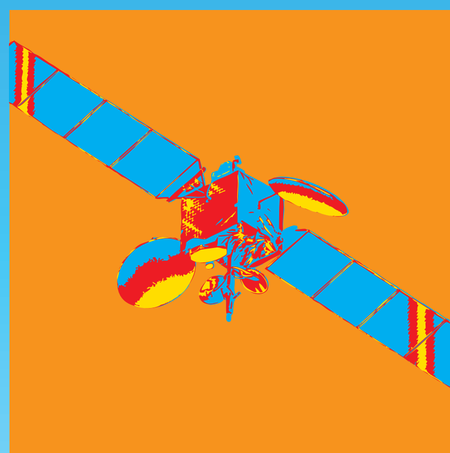


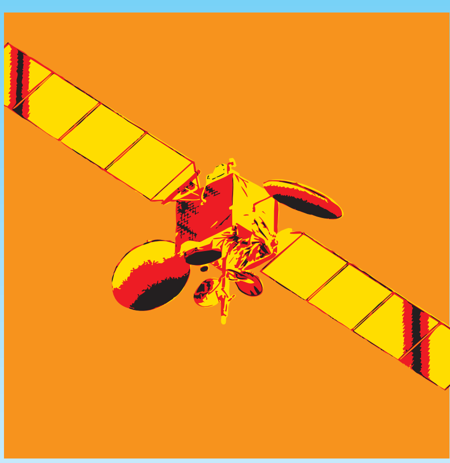


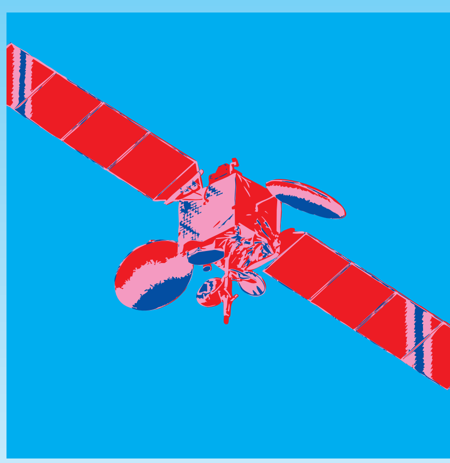


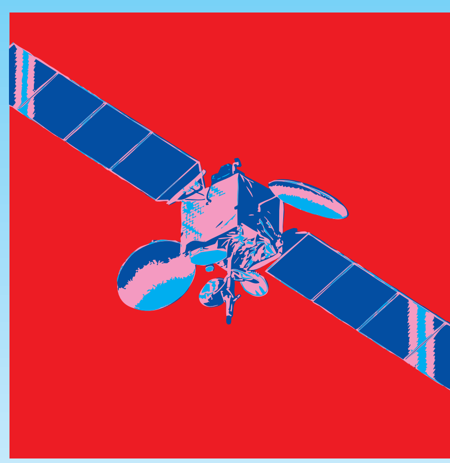


Asia's
Award
Winning
Satellite
Carrier









AUGUST 2007
852 2500 0888
DISTRIBUTED FREE
TO SHAREHOLDERS

Asia Satellite Telecommunications Holdings Limited
(Stock Code 1135)

Interim Report 2007

AsiaSat

Contents

On the Cover

Continuing with our theme of 'The Art of Convergence' in this Interim Report 2007, pop artist Andy Warhol once quipped that "In the future everyone will be world-famous for 15 minutes". The Internet is certainly making that possible. Meanwhile, AsiaSat is sharing a little fame of its own in this Warhol inspired Awards Special Edition of 'Infotainment'. Read on to find out more.

What is Infotainment?

'Infotainment' is an emerging Neoterm that combines the words 'information' and 'entertainment'. It also blends their meanings. AsiaSat is at the very heart of the 'infotainment' explosion in the Asia Pacific as we provide the satellite communication platforms and services that enable our customers to deliver the seamlessly converged data, television programmes, telephony, websites and multimedia experiences that their customers take for granted. We enable the delivery of 'infotainment' anywhere in the Asia-Pacific region at any time. From secure business communications to quality television channel distribution, from outside sports coverage to remote telephone services, our customers rely on AsiaSat's leadership as the region's premier satellite services provider.

Asia Satellite Telecommunications Holdings Limited (the "Company") indirectly owns Asia Satellite Telecommunications Company Limited ("AsiaSat") and other subsidiaries (collectively the "Group") and is listed on the stock exchanges of Hong Kong (1135) and New York (SAT).

AsiaSat is Asia's premier provider of high quality satellite services to the broadcasting and telecommunications markets. The Group owns and operates three satellites, which are located in prime geo-stationary positions over the Asian landmass and provide access to two-thirds of the world's population.

The Company's strategy is to maximise the return from its core business of satellite transmission services while exploring convergence opportunities in satellite related new growth industries.

www.asiasat.com

Production Edelman
Design Graphicat Limited

We're Honoured

AsiaSat is delighted to have been recognised for its achievements in the last year through four leading industry awards. These honours underline AsiaSat's continued efforts to deliver the highest standards in all of our services, and we thank our customers, partners and staff for the support, loyalty and dedication that have helped make AsiaSat the region's premier satellite operator.

Satellite Communications Service Provider of the Year in Asia Pacific

Voted by Frost & Sullivan in June 2007

Best Asian Satellite Carrier

Once again voted by Telecom Asia magazine in April 2007

CASBAA Chairman's Award

Presented to AsiaSat's CEO, Peter Jackson, by CASBAA (Cable & Satellite Broadcasting Association of Asia) in October 2006

Satellite Executive of the Year in Asia Pacific

Presented to AsiaSat's CEO, Peter Jackson, by APSCC (Asia-Pacific Satellite Communications Council) in September 2006

Corporate Information

Chairman and Non-executive Director

MI Zeng Xin

Deputy Chairman and Non-executive Director

Ronald J. HERMAN, Jr.

Executive Directors

Peter JACKSON (Chief Executive Officer)

William WADE (Deputy Chief Executive Officer)

Non-executive Directors

John F. CONNELLY

Mark CHEN

Nancy KU

DING Yu Cheng

JU Wei Min

KO Fai Wong

Independent Non-executive Directors

Edward CHEN

Robert SZE

James WATKINS

Audit Committee

Robert SZE (Chairman)

Edward CHEN

James WATKINS

JU Wei Min (Non-voting)

Mark CHEN (Non-voting)

Nomination Committee

Edward CHEN (Chairman)

MI Zeng Xin

Ronald J. HERMAN, Jr.

Remuneration Committee

James WATKINS (Chairman)

JU Wei Min

Nancy KU

Authorised Representatives

Peter JACKSON

Sue YEUNG

Company Secretary

Sue YEUNG

Auditors

PricewaterhouseCoopers

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited

Principal Solicitors

Johnson Stokes & Master

Paul, Weiss, Rifkind, Wharton & Garrison

Registered Office

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Head Office

17th Floor, The Lee Gardens

33 Hysan Avenue

Causeway Bay

Hong Kong

Chairman's Statement

Solid Results in an Eventful Period

The Group's underlying businesses achieved solid operational and financial results in the first six months of 2007. This was also a period of significant corporate activity for the Group that included a change in a major shareholder, the launch of a previously announced privatisation proposal, and the subsequent mandatory general offers ("MGO"). However, with the refusal of the United States Department of State ("US Department of State") to grant an approval for the privatisation proposal, the MGO had to proceed which resulted in a minor change to the public shareholding of the Company. I am delighted to record that AsiaSat also won a number of accolades during the period including two of the industry's highest awards for excellence.

Looking at the underlying businesses, the improved financial performance may indicate the start of the long-awaited turnaround in the Asian satellite industry following a period of stronger growth in the region's economies. We have been signalling the possibility of such an improvement for some time and it is encouraging that it may now be making a positive impact to the bottom line. However, there are also uncertainties ahead.

We have received recent reports on the successful launches of two satellites in China, namely Sinosat 3 and ChinaSat 6B, which are now undergoing testing. When they become commercially operational in the next few months, Chinese television broadcasters currently transmitting via AsiaSat's satellites may switch to these new satellites. If that occurs, it will have an adverse impact on the Company's revenue as contracts with Chinese television broadcasters accounted for approximately 8.8% of AsiaSat's total revenue in 2006.

Interim Results

Turnover for the first half of 2007 was HK$461 million (2006: HK$475 million). Excluding last year's one-time receipt, recurring revenue was up by HK$23 million. The profit attributable to equity holders was HK$247 million (2006: HK$239 million), up 3%. Operating expenses in the first half of 2007 amounted to HK$90 million (2006: HK$99 million), a decrease of HK$9 million due mainly from a reduction in satellite in-orbit insurance and a reversal of certain performance bonus provisions in relation to 2006.

The Group's EBITDA (earnings before interest, tax, depreciation and amortisation) margin increased slightly to 81% (2006: 79%) as a result of lower operating expenses.

During the period, the Group generated a net cash flow of HK$105 million (2006: HK$183 million) after paying capital expenditure of HK$162 million (2006: HK$118 million) and dividends of HK$106 million (2006: HK$105 million). As at 30 June 2007, the Group reported a cash balance of HK$2,085 million (31 December 2006: HK$1,979 million). The Group continues to be debt free.

Chairman's
Statement

Dividend

The Board has resolved to pay an interim dividend of HK$0.08 per share (2006: HK$0.08), the same as last year. The interim dividend is payable on or about 13 November 2007 to equity holders on the share register as of 3 October 2007. The share register will be closed from 4 to 11 October 2007, both days inclusive.

Corporate Developments

The first half of 2007 has been eventful for the Company and I would like to summarise the significant corporate events below:

MAJOR NEW SHAREHOLDER

On 30 March 2007, the Company announced that the General Electric Company ("GE") had become a major shareholder of the Company on acquiring approximately 34.03% of the issued share capital of the Company subsequent to the completion of an exchange transaction ("Exchange Transaction") on 29 March 2007 in which GE exchanged its entire shareholding of approximately 19% in SES S.A. ("SES"), a then major shareholder of the Company, for shares of a new company holding cash and a number of assets including SES's entire shareholding in the Company.

Upon the completion of the Exchange Transaction, CITIC Group, the Company's founding shareholder, remained as the other major shareholder with approximately 34.71% of the issued share capital of the Company. Both GE and CITIC Group have equal voting rights in Bowenvale Limited, and in turn, enjoy equal voting rights in the Company.

PROPOSED PRIVATISATION AND MANDATORY GENERAL OFFERS

The major events of the proposed privatisation ("Proposed Privatisation") are set out below:

13 February 2007 – Privatisation of the Company by way of a scheme of arrangement was proposed by the offeror, AsiaCo Acquisition Limited ("AsiaCo"), a company jointly owned by Able Star Associates Limited ("Able Star"), an indirect wholly-owned subsidiary of CITIC Group; and GE Capital Equity Investments, Inc., an indirect wholly-owned subsidiary of GE. It was proposed that upon completion of the Proposed Privatisation, the Company would be jointly and indirectly owned by CITIC Group and GE.

29 March 2007 – With the completion of the Exchange Transaction, GE became a major shareholder of the Company with an indirect interest of approximately 34.03% of the issued share capital of the Company.

23 April 2007 – The Company and AsiaCo jointly announced the cancellation of the Proposed Privatisation because the US Department of State had in correspondence with GE revealed that it would not grant the approval necessary to implement the Proposed Privatisation. Obtaining such approval was one of the conditions to the share offer in the Proposed Privatisation that had to be fulfilled or waived. Given the importance of such approval, AsiaCo decided not to waive the fulfillment of such condition and therefore cancelled the Proposed Privatisation.

PROPOSED PRIVATISATION AND MANDATORY GENERAL OFFERS (CONTINUED)

As the Securities and Futures Commission of Hong Kong was of the view that the completion of the Exchange Transaction would result in the formation of a new concert group that would have had statutory control of the Company, it thereby triggered the MGO. The MGO was announced on 23 April 2007 after the cancellation of the Proposed Privatisation.

26 June 2007 – The MGO closed and AsiaCo received a total of approximately 22.3 million valid acceptances of the Company's shares, representing approximately 5.7% of the Company's entire issued share capital. Following the close of the MGO, the Company remains a public company with 25.57% of its shares held by the public. CITIC Group and GE have now a beneficial interest in 37.59% and 36.84% respectively of the issued share capital of the Company.

Operations Review

NEW SATELLITE

Our new satellite, AsiaSat 5, is under construction in the United States, and is progressing on schedule. When launched, AsiaSat 5 will replace AsiaSat 2 at the orbital location of 100.5°E. However, as we stated in last year's annual report, we have been advised of a delay in the launch vehicle availability, and this could impact our launch date. It is worth reiterating that there are no changes being made to the current launch programme, other than the date of the launch. The construction of AsiaSat 5 will continue on schedule while the launch at the Baikonur Space Centre in Kazakhstan will be rescheduled from the second half of 2008 to 2009.

However, it is the Company's practice to build into each of its replacement satellite programmes sufficient time to re-build and re-launch a second satellite before the satellite has to be retired. As this rescheduled launch date may not provide sufficient time for such a re-build and re-launch in the event of an unsuccessful first launch, the Company continues to explore options to ensure the continuity of service to its customers.

IN-ORBIT SATELLITES

During the first six months of 2007, the Group's fleet of three in-orbit satellites, AsiaSat 2, AsiaSat 3S, and AsiaSat 4, operated effectively and continued to deliver excellent service.

The fleet is located in geo-stationary positions over the Asian land mass and provides a platform for one of the largest television audiences in the world and gives AsiaSat customers unparalleled coverage of two-thirds of the world's population.

AsiaSat 2 was launched in November 1995 and is positioned at 100.5°E. This satellite carries a payload of 24 C-band and 9 Ku-band transponders, and its overall utilisation rate as at 30 June 2007 was 48% (31 December 2006: 47%).

AsiaSat 3S was launched in March 1999 and is positioned at 105.5°E. This satellite carries a payload of 28 C-band and 16 Ku-band transponders, and its overall utilisation rate as at 30 June 2007 was 71% (31 December 2006: 74%).

IN-ORBIT SATELLITES (CONTINUED)

AsiaSat 4 was launched in April 2003 and is positioned at 122.2°E. This satellite carries a payload of 28 C-band and 20 Ku-band transponders, including four Hong Kong BSS (broadcast satellite service) transponders. Its overall utilisation rate as at 30 June 2007 was 47% (31 December 2006: 48%).

The total number of transponders on the Company's satellites leased and sold as at 30 June 2007 remained stable at 70 (31 December 2006: 71) with the overall utilisation rate at 56% (31 December 2006: 57%). This included the four BSS transponders provided for the DTH (direct-to-home) service.

CONTRACTS WITH CUSTOMERS

In the first six months of 2007, we secured new contracts to the value of HK$117 million (2006: HK$186 million) and renewed contracts to the value of HK$153 million (2006: HK$296 million) amounting to a total of HK$270 million (2006: HK$482 million). Reduction in overall value is mainly attributable to shorter duration of contracts.

MARKET REVIEW

The adoption of High Definition (HD) television technology in Asia, and the increase in satellite capacity that it requires, continues to lag behind Europe and the U.S. However, we are experiencing stronger demand from the television sector for the regional distribution of new television channels. This increase would appear to be driven by the introduction, in many countries, of new distribution methods including Direct To Home (DTH) satellite television and internet protocol television (IPTV) delivered by the terrestrial broadband network.

These new and often competing delivery platforms require innovative and exclusive content to differentiate themselves from their competitors and are thus driving the expansion of the content industry.

As Asian markets develop, governments are recognising that the television viewing public expects to have choice both in the content available and in who provides it. Businesses have also recognised that television broadcasting has moved from a government-run loss-making activity to an attractive investment opportunity, thus they and the public expect governments to create an environment where competition is encouraged. It is envisaged that every country will eventually have multiple television platforms all competing for viewers reaching their viewers via satellite, cable, the telephone network and wireless solutions. This trend of general expansion bodes well for the satellite industry both directly in the DTH market and indirectly in the distribution of content to these new platforms.

The use of satellites to reach remote areas is continuing to grow as governments seek to improve the quality of life in these areas. The types of services provided in these remote areas include mobile phone and internet connections that link into the main systems and this has increased the demand for satellite capacity.

Chairman's Statement

Business Development

SUBSIDIARY

Skywave

Our subsidiary, Skywave TV Limited ("Skywave"), is 80% held by the Company and engaged, with its partners, in developing a low cost DTH platform to serve the markets of Hong Kong, Macau, Taiwan and Southern China.

Launched in 2005, Skywave currently offers 35 programmes branded under 'family favourites', 'premium movies' and 'premium sports'. As the company is operating in a highly restricted market, its business is static and is expected to remain so for the foreseeable future. In the first half of this year, Skywave incurred a loss of HK$2.4 million (2006: HK$2 million), of which our share was approximately HK$1.9 million.

ASSOCIATE COMPANIES

SpeedCast

SpeedCast Holdings Limited ("SpeedCast") is our associate in which the Company holds a 47% shareholding. It provides broadband, multimedia and corporate broadcast services to customers in countries across Asia and beyond.

In the first six months of 2007, the turnover of SpeedCast dropped by HK$3 million to HK$48 million (2006: HK$51 million), a decrease of 6% and it reported a loss of HK$1.5 million compared to profit at HK$2 million for same period last year.

During the first half of the year, AsiaSat generated HK$24 million as utilisation fees (2006: HK$22 million) from SpeedCast through the leasing of transponder capacity.

Beijing Asia

Another associate, Beijing AsiaSky Telecommunications Technology Co., Ltd. ("Beijing Asia"), in which the Company holds a 49% shareholding, is a joint venture operating in China. Beijing Asia is engaged in providing private satellite networks to enterprises using small satellite dishes known as "Very Small Aperture Terminals" ("VSATs"). This Company was established in 2004 and for the first six months of 2007 it incurred a loss of HK$1.7 million (2006: HK$4 million), of which AsiaSat's share was HK$0.85 million (2006: HK$2 million).

NON-DOMESTIC TELEVISION PROGRAMME SERVICE LICENCE

To broaden our business scope, the Company decided to install a multiple channels per carrier ("MCPC") platform to offer customers a lower cost and highly efficient method to transmit digital video services to AsiaSat 2.

NON-DOMESTIC TELEVISION PROGRAMME SERVICE LICENCE (CONTINUED)

In the first half of 2006, Auspicious Colour Limited ("Auspicious Colour"), a wholly-owned subsidiary of the Company, applied for, and was granted a Non-domestic Television Programme Service Licence. This is in addition to the Non-domestic Television Programme Service Licence held by Skywave. This licence granted to Auspicious Colour, together with the Fixed Carrier Licence that was approved previously, will be used to operate MCPC platforms to provide customers with bundled value-added services for space segment and uplink services.

Outlook

The uplift in the Group's half-year performance was encouraging after a few years of sluggish trading in the Asian satellite sector amid a general economic strengthening across the region. This endorsed our commitment to customer services and relationships through that difficult period in anticipation of the market turnaround. Indeed, we have maintained our market leadership; remain debt-free and are committed to the future of satellite communication in the Asia-Pacific region.

As noted above, however, the recent launch of two new satellites in China poses a very real threat to AsiaSat's business. As a result, the management of the Company will be adopting a cautious approach to the remainder of the year.

Directors

Subsequent to the completion of the Exchange Transaction and the introduction of GE as a major shareholder, the Company announced the appointment of four new non-executive Directors to the Board on 30 March 2007. They are Mr. Ronald J. Herman, Jr. (also Deputy Chairman), Mr. John F. Connelly, Mr. Mark Chen and Ms. Nancy Ku. On behalf of the Board, I would like to welcome the new Directors and look forward to working with them.

I would also like to express my appreciation to the former SES appointees to the Board Mr. Romain Bausch, Mr. Mark Rigolle and Ms. Cynthia Dickins for their contribution to the Company's development.

MI Zeng Xin

Chairman

Hong Kong, 23 August 2007

Corporate Governance

Statement

In the interest of its shareholders, the Company is committed to high standards of corporate governance and is devoted to identifying and formalising best practices. The Company is in compliance with the requirements of local and relevant overseas regulators in this regard.

Code on Corporate Governance Practices

All the independent non-executive directors ("INED"s) and non-executive directors ("NED"s) are appointed for a specific term of three years and are subject to retirement, rotation and re-election at the Company's annual general meeting.

The Group has adopted all the code provisions in the Code on Corporate Governance Practices in Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") except for the following:

The code provision on the level and make-up of the remuneration committee requires a majority of the members to be comprised of INEDs. The Remuneration Committee of the Company is currently composed of three members, of whom one is an INED who also chairs the Committee, while the other two are NEDs.

Regarding the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules, the Group has adopted procedures governing directors' securities transactions in full compliance of the relevant code provisions.

Corporate
Governance

Audit Committee

The Audit Committee consists of five members, three of whom are INEDs who satisfy independent, financial literacy and experience requirements, whilst the other two members are NEDs and have only observer status with no voting rights. The Committee is chaired by an INED, who possesses appropriate professional qualifications and experience in financial matters.

The Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2007 in conjunction with management and external auditors of the Company. The Committee recommended to the Board that it should approve the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2007.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2007, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Guidelines on Conduct

The Company periodically issues notices to its Directors and employees reminding them of the general prohibition on dealing in the Company's listed securities during the blackout periods before the publication of announcements of the interim and annual results.

Other Information

Directors' Interests

As at 30 June 2007, as recorded in the register required to be maintained under Section 352 of the Securities and Futures Ordinance ("SFO") (Cap. 571), the following Directors have the following interests in the share capital of the Company:

(i) Ordinary shares

Peter JACKSON and William WADE had a personal interest in 213,500 (0.05% of the issued share capital of the Company) and 5,000 (0.001% of the issued share capital of the Company) ordinary shares respectively in the Company.

Other
Information

Directors' Interests (continued)

(ii) Options to subscribe for ordinary shares in the Company under the Share Option Schemes.

All the share option schemes of the Company lapsed with the completion of the MGO on 26 June 2007.

The following table discloses movements in the Company's share options for the six months ended 30 June 2007:

Directors	Capacity	Share option scheme category	Option type	Outstanding as at 31 Dec 2006	Exercised during the period	Cancelled/ lapsed during the period	Outstanding as at 30 June 2007
Romain BAUSCH*	Beneficial owner	2002	C	100,000	—	(100,000)	—
MI Zeng Xin	Beneficial owner	2002	C	100,000	—	(100,000)	—
Edward CHEN	Beneficial owner	2002	C	50,000	—	(50,000)	—
DING Yu Cheng	Beneficial owner	2002	C	50,000	—	(50,000)	—
JU Wei Min	Beneficial owner	2002	C	50,000	—	(50,000)	—
Robert SZE	Beneficial owner	2002	C	75,000	—	(75,000)	—
Peter JACKSON	Beneficial owner	2002	B	150,000	—	(150,000)	—
	Beneficial owner	2002	C	430,000	(50,000)	(380,000)	—
William WADE	Beneficial owner	2002	B	114,000	—	(114,000)	—
	Beneficial owner	2002	C	330,000	—	(330,000)	—
Total Directors				1,449,000	(50,000)	(1,399,000)	—
Employees		2002	B	1,366,000	—	(1,366,000)	—
		2002	C	2,026,500	(880,000)	(1,146,500)	—
Total Employees				3,392,500	(880,000)	(2,512,500)	—
Grand Total				4,841,500	(930,000)	(3,911,500)	—

* Mr. Romain BAUSCH resigned on 29 March 2007.

Details of specific categories of options are as follows:

Option type	Date of grant	Vesting period	Exercise period	Exercise price HK$
B	4 February 2002	Fully vested	1 October 2002 - 30 September 2009	17.48
C	4 February 2002	Fully vested	4 February 2004 - 3 February 2012	14.35

Other
Information

Substantial Equity Holders

As at 30 June 2007, according to the register required to be kept under Section 336 of the SFO and information otherwise reported to the Company, the following persons held an interest of 5% or more in the shares in the Company:

Name	No. of shares	%
Bowenvale Limited	268,905,000	68.74
AsiaCo Acquisition Limited	22,269,695 (1)	5.69
Able Star Associates Limited	291,174,695 (1) & (2)	74.43
CITIC Asia Limited	291,174,695 (1) & (2)	74.43
CITIC Projects Management (HK) Limited	291,174,695 (1) & (2)	74.43
CITIC Group	291,174,695 (1) & (2)	74.43
Pacific-3 Holdings, Inc.	268,905,000 (3)	68.74
Pacific-1 Holdings, Inc.	268,905,000 (3)	68.74
Pacific-2 Holdings, Inc.	268,905,000 (3)	68.74
GE International Holdings Inc.	268,905,000 (3)	68.74
GE CFE Luxembourg S.a.r.l.	268,905,000 (3)	68.74
GE CFE Luxembourg Holdings L.L.C.	268,905,000 (3)	68.74
GE Capital CFE, Inc.	268,905,000 (3)	68.74
General Electric Capital Corporation	291,174,695 (1) & (3)	74.43
General Electric Capital Services, Inc.	291,174,695 (1) & (3)	74.43
General Electric Company	291,174,695 (1) & (3)	74.43

Notes:

(1) AsiaCo Acquisition Limited ("AsiaCo") controls 5.69% of the voting rights of the Company. AsiaCo is a company owned 50% (as to voting interest) by Able Star (defined below), a wholly-owned subsidiary of CITIC Asia Limited ("CITIC Asia"), which in turn is wholly-owned by CITIC Projects Management (HK) Limited ("CITIC Projects"), a wholly-owned subsidiary of CITIC Group, and 50% owned (as to voting interest) by GE Capital Equity Investments, Inc. ("GE Equity"), a wholly-owned subsidiary of General Electric Capital Corporation ("GECC"), which is a wholly-owned subsidiary of General Electric Capital Services, Inc. ("GECS"), a 99.81% owned subsidiary of General Electric Company ("GE"). Accordingly, Able Star, CITIC Asia, CITIC Projects, CITIC Group, GE Equity, GECC, GECS and GE are deemed to be interested in the 22,269,695 shares in the Company held by AsiaCo.

(2) Able Star Associates Limited ("Able Star") controls 50% of the voting rights of Bowenvale Limited ("Bowenvale"). Able Star is wholly-owned by CITIC Asia which in turn is wholly-owned by CITIC Projects, a wholly-owned subsidiary of CITIC Group. Accordingly, Able Star, CITIC Asia, CITIC Projects and CITIC Group are deemed to be interested in the 268,905,000 shares in the Company held by Bowenvale.

(3) Pacific-3 Holdings, Inc. ("Pacific 3") controls 45% of the voting rights of Bowenvale. Pacific 3 is 50% owned by Pacific-1 Holdings, Inc. ("Pacific 1") and 50% owned by Pacific-2 Holdings, Inc. ("Pacific 2"). Both Pacific 1 and Pacific 2 are wholly-owned by GE International Holdings Inc. ("GE International"), which is approximately 96% owned by GE CFE Luxembourg S.a.r.l., ("GE S.a.r.l"), a wholly-owned subsidiary of GE CFE Luxembourg Holdings L.L.C. ("GE Holdings") which in turn is wholly-owned by GE Capital CFE, Inc. ("GE Capital"), a wholly-owned subsidiary of GECC, a wholly-owned subsidiary of GECS, which in turn is a 99.8% owned subsidiary of GE. Accordingly, Pacific 3, Pacific 1, Pacific 2, GE International, GE S.a.r.l., GE Holdings, GE Capital, GECC, GECS and GE are deemed to be interested in the 268,905,000 shares in the Company held by Bowenvale.

Other Information

Arrangement to Purchase Shares or Debenture

Save as disclosed above, at no time during the period was the Company, or any of its subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Closure of Register of Members

The Register of equity holders of the Company will be closed from 4 to 11 October 2007 (both days inclusive). In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrars, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 3 October 2007. The interim dividend will be paid on or about 13 November 2007.

Management Discussion and Analysis

Financial Review

SALES

Sales for the period were HK$461 million (2006: HK$475 million), a decrease of HK$14 million. The decrease was mainly due to the one time receipt of HK$46 million for early termination of a contract in the first half of 2006, compared to one time receipt of HK$8 million in the current period. Excluding the effect of early termination payments for both periods, recurring sales demonstrated growth of HK$23 million (over 5%) over the same period in 2006.

COST OF SERVICES

Cost of services was HK$198 million (2006: HK$204 million), a decrease of HK$6 million or 3%. The decrease was mainly due to further savings in the insurance premium upon the renewal of the satellites' in-orbit insurance during the period.

OTHER GAINS

The gain of HK$53 million (2006: HK$41 million) was mainly due to interest income generated on short-term deposits. The increase was due largely to the increase of funds on deposit as well as improvement in the deposit rates.

ADMINISTRATIVE EXPENSES

Administrative expenses decreased to HK$40 million (2006: HK$43 million). The decrease was primarily due to a reversal of certain performance bonus provisions in relation to the year 2006.

SHARE OF LOSS OF ASSOCIATES

The share of loss from associates was HK$0.85 million (2006: HK$2 million).

INCOME TAX EXPENSE

A significant portion of the Group's profit is treated as earned outside Hong Kong and is not subject to Hong Kong Profits Tax. Hong Kong Profits Tax is calculated at 17.5% (2006: 17.5%) of the estimated assessable profit for the period. The Group's effective tax rate for the period was approximately 11%.

Overseas tax is calculated at approximately 5% to 20% of the gross revenue earned in certain of the overseas jurisdictions. The Group currently has a tax case with the Indian tax authority. Further details are set out in note 12 to the condensed consolidated interim financial statements.

Management
Discussion and Analysis

Profit for the Period

Profit attributable to shareholders amounted to HK$247 million (2006: HK$239 million), an increase of HK$8 million. Excluding the effect of early termination payments in both periods, the profit attributable to shareholders has increased by more than HK$46 million over the same period in 2006. The increase in profit was primarily due to lower insurance premiums and the higher interest income reported above.

Financial Results Analysis

The financial results are highlighted below:

		Six months ended 30 June		
		2007	2006	% Change
Sales	HK$M	**461**	475	-3%
Profit attributable to shareholders	HK$M	**247**	239	3%
Dividend	HK$M	**31**	31	—
Capital and reserves	HK$M	**4,576**	4,238	8%
Earnings per share	HK cents	**63**	61	3%
Dividend per share	HK cents	**8**	8	—
Dividend cover	Times	**7.9**	7.6	4%
Return on equity holders' funds	%	**6**	6	—
Net assets per share - book value	HK cents	**1,171**	1,086	8%

Liquidity and Financial Resources

During the period under review, the Group generated a net cash inflow of HK$105 million (2006: HK$183 million) after paying capital expenditure of HK$162 million (2006: HK$118 million) and dividends of HK$106 million (2006: HK$105 million). As at 30 June 2007, the Group had a cash balance of HK$2,085 million (31 December 2006: HK$1,979 million). The Group has no debt.

Order Book

As at 30 June 2007, the value of contracts on hand amounted to HK$2,461 million (31 December 2006: HK$2,644 million), of which approximately HK$399 million will be recognised in the second half of this year. Almost all the contracts are denominated in U.S. Dollars.

Significant Investments, their Performance and Future Prospects

SPEEDCAST

SpeedCast Holdings Limited ("SpeedCast"), in which the Company holds a 47% shareholding, provides broadband, multimedia and corporate broadcast services to customers in countries across Asia and beyond.

For the first six months of 2007, the turnover of SpeedCast has dropped to HK$48 million (2006: HK$51 million), a decrease of 6%. The company also had a loss of HK$1.5 million (2006: HK$2 million profit).

As at 30 June 2007, the book value of the investment in SpeedCast, mainly goodwill, stood at HK$0.4 million (31 December 2006: HK$0.4 million).

BEIJING ASIA

Beijing AsiaSky Telecommunications Technology Co., Ltd. ("Beijing Asia"), a joint venture of the Company in Beijing in which AsiaSat holds a 49% shareholding, provides satellite-based telecommunication networks, consultancy and technical support services to customers in China. Beijing Asia provides government institutions and major corporations with corporate data networks, data broadcasting services, and a trial telephony network connecting remotest sites in China using very small aperture terminal ("VSAT") technology.

Beijing Asia commenced operation in October 2004. For the first six months of 2007, Beijing Asia incurred a loss of approximately HK$1.7 million (2006: HK$4 million), of which AsiaSat's share was approximately HK$0.85 million (2006: HK$2 million).

As at 30 June 2007, the book value of the investment in Beijing Asia stood at approximately HK$10 million.

SKYWAVE

Skywave TV Limited ("Skywave"), in which the Company holds an 80% interest, operates a low cost direct-to-home ("DTH") platform to serve the markets of Hong Kong, Taiwan, Macau and Southern China.

Operating under a Hong Kong Non-domestic Television Programme Service Licence, Skywave offers a variety of some 35 full time TV channels to authorised subscribers in the AsiaSat 4 BSS (broadcast satellite service) coverage area. Skywave is a niche service offering quality content throughout the region to customers not readily served by cable. Working through its joint venture partners, the Skywave platform provides a comprehensive offering from hardware distribution and product promotion, to customer service and subscriber management.

For the six months under review, Skywave incurred a loss of approximately HK$2.4 million (2006: HK$2 million), of which the Company's share was about HK$1.9 million (2006: HK$2 million).

Management
Discussion and Analysis

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

During the period, there were neither material acquisitions nor disposals of subsidiaries or associated companies.

Change in Major Shareholder and Proposed Privatisation

During the six months ended 30 June 2007, the Company has undergone a major shareholder change after the completion of the exchange transaction with the transfer of shares between GE and SES S.A. on 29 March 2007 ("Exchange Transaction"). GE is now a major shareholder of the Company and had at that time a beneficial interest in approximately 34.03% of the issued share capital of the Company subsequent to the Exchange Transaction.

CITIC Group, AsiaSat's founding shareholder, remained as the other major shareholder with 34.71% of the issued share capital of the Company. The two shareholders have equal voting rights in AsiaSat, through Bowenvale Limited, which was indirectly wholly-owned by CITIC Group and GE.

On 13 February 2007, a privatisation proposal of Company ("Proposed Privatisation") was announced by AsiaCo Acquisition Limited ("AsiaCo"), which is indirectly owned by CITIC Group and GE. One of the conditions for the Proposed Privatisation was an approval by the United States Department of State ("US Department of State"). On 23 April 2007, US Department of State refused to grant the approval for the Proposed Privatisation. Given the importance of such approval, AsiaCo decided to invoke the condition of privatisation and therefore, cancelled the Proposed Privatisation and announced the Mandatory General Offers ("MGO").

The closure of the MGO on 26 June 2007 resulted in the increased beneficial shareholding of CITIC Group and GE to 74.43% in the Company, with the remaining 25.57% shareholding held by the public. CITIC Group and GE are now beneficially interested in 37.59% and 36.84% respectively of the issued share capital of the Company.

Competition in China

The Board has received reports on the successful launch of two satellites in China namely Sinosat 3 & ChinaSat 6B, which are currently undergoing testing. Chinese television broadcasters presently transmitting via AsiaSat's satellites may switch to these new satellites. If that occurs, it will have an adverse impact on the revenue of the Company as contracts with Chinese television broadcasters accounted for approximately 8.8% of AsiaSat's total revenue in 2006.

Management Discussion and Analysis

Segment Information

The turnover of the Group, analysed by location of customers, is disclosed in note 4 to the condensed consolidated interim financial statements.

Employees and Remuneration Policies

As at 30 June 2007, the Group had 99 (31 December 2006: 102) permanent employees, including 12 in the Beijing representative office.

The Group considers its human resources as one of its most valuable assets. The talent pool that the Group draws from overlaps with the telecommunications, information technology and some high-tech equipment vendor industries.

The Group has established a performance based appraisal system. The present remuneration package consists of salaries, housing benefits (applicable to certain grades of employees), discretionary bonuses, and fringe benefits that are comparable with the market.

The Group has reviewed its remuneration scheme during the period. On 22 August 2007, the Board approved the establishment of a restricted share award scheme (the "Scheme") having previously approved the creation of such a scheme in principle in 2005. The objective of the Scheme is to enhance the competitiveness of AsiaSat in attracting and retaining the best senior staff for the development of the Company's business. Under the Scheme, shares of the Company (the "Award Shares") will be granted to eligible employees of the Company or any of its subsidiaries. Any Award Shares so granted will vest after a certain period or lapse under certain circumstances as set out in the Scheme rules. The Company has appointed Equity Trust (Jersey) Limited to be the trustee to purchase and hold the Award Shares upon trust to facilitate the servicing of the Scheme for the benefit of the eligible employees.

The Group does not operate an in-house regular training programme. However, the Group does provide ad hoc training on new developments or facilities and sponsors employees to attend external vocational training that is relevant to the discharge of their duties and their career progression.

Charges on Group Assets

The Group did not have any charge on assets as at 30 June 2007 and 31 December 2006.

Management

Discussion and Analysis

Capital Commitments

Details of the capital commitments of the Group are set out in note 13 to the condensed consolidated interim financial statements.

As at 30 June 2007, the Group had total capital commitments of HK$909 million (31 December 2006: HK$1,107 million), of which HK$615 million (31 December 2006: HK$810 million) was contracted for but not provided in the financial statements, and the remaining HK$294 million (31 December 2006: HK$297 million) was authorised by the Board but not yet contracted.

Gearing Ratio

At 30 June 2007, the Company remained debt free. Therefore, a gearing ratio was not applicable.

Exchange Rates and Any Related Hedges

During the period, almost all of the Group's revenues, premiums for satellite insurance coverage and substantially all capital expenditure were denominated in U.S. Dollars. The Group's remaining expenses were primarily denominated in Hong Kong Dollars. As at 30 June 2007, almost all the Group's transponder utilisation agreements, transponder purchase agreements, and obligations to purchase equipment were denominated in U.S. Dollars. Thus, the Group does not have any significant currency exposure and does not need to hedge against currency fluctuation.

Contingent Liabilities

Particulars of the Group's contingent liabilities are set out in note 12 to the condensed consolidated interim financial statements.

Condensed Consolidated

Interim Balance Sheet

(All amounts in HK dollars thousands unless otherwise stated)

		As at	
	Note	**30 June 2007 Unaudited**	31 December 2006 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	5	**2,682,263**	2,630,847
Leasehold land and land use rights	5	**23,324**	23,616
Intangible assets	5	**1,487**	1,276
Unbilled receivables		**163,743**	171,047
Interests in associates		**10,671**	10,057
Amount paid to tax authority		**167,291**	154,911
Total non-current assets		**3,048,779**	2,991,754
Current assets			
Inventories		**339**	354
Trade and other receivables	6	**139,249**	119,647
Cash and cash equivalents		**2,084,784**	1,979,457
Total current assets		**2,224,372**	2,099,458
Total assets		**5,273,151**	5,091,212

The notes on pages 26 to 44 form an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated
Interim Balance Sheet

(All amounts in HK dollars thousands unless otherwise stated)

	Note	As at 30 June 2007 Unaudited	As at 31 December 2006 Audited
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Ordinary shares	7	**39,120**	39,027
Share premium	7	**17,866**	4,614
Retained earnings		**4,519,289**	4,377,963
		4,576,275	4,421,604
Minority interests		**4,548**	4,933
Total equity		**4,580,823**	4,426,537
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		**187,150**	191,739
Deferred revenue		**130,375**	142,624
Other payables		**1,814**	1,770
Total non-current liabilities		**319,339**	336,133
Current liabilities			
Construction payables		**39,603**	1,736
Other payables and accrued expenses		**87,162**	96,495
Deferred revenue		**151,556**	153,101
Current income tax liabilities		**94,547**	77,089
Dividend payable		**121**	121
Total current liabilities		**372,989**	328,542
Total liabilities		**692,328**	664,675
Total equity and liabilities		**5,273,151**	5,091,212
Net current assets		**1,851,383**	1,770,916
Total assets less current liabilities		**4,900,162**	4,762,670

The notes on pages 26 to 44 form an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated
Interim Income Statement

(All amounts in HK dollars thousands unless otherwise stated)

	Note	Unaudited Six months ended 30 June 2007	2006
Continuing operations			
Sales	4	**461,286**	475,760
Cost of services	8	**(197,635)**	(204,341)
Gross profit		**263,651**	271,419
Other gains (net)	8	**53,404**	41,038
Administrative expenses	8	**(39,834)**	(43,094)
Operating profit		**277,221**	269,363
Share of loss of associates		**(848)**	(1,688)
Profit before income tax		**276,373**	267,675
Income tax expense	9	**(29,825)**	(28,780)
Profit from continuing operations and for the half-year		**246,548**	238,895
Attributable to:			
– equity holders of the Company		**246,933**	239,211
– minority interests		**(385)**	(316)
		246,548	238,895
		HK$ per share	HK$ per share
Earnings per share for profit attributable to the equity holders of the Company, expressed in HK$ per share			
– basic	10	**0.63**	0.61
– diluted	10	**0.63**	0.61
Interim dividend	15(i)	**31,296**	31,221

The notes on pages 26 to 44 form an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated

Interim Statement of Changes in Equity

(All amounts in HK dollars thousands unless otherwise stated)

		Unaudited					
	Note	Attributable to equity holders of the Company					
		Share capital	Share premium	Retained earnings	Total	Minority interests	Total
Balance at 1 January 2006		39,027	4,614	4,060,547	4,104,188	5,537	4,109,725
Profit for the half-year		—	—	239,211	239,211	(316)	238,895
Dividend relating to 2005 paid in May 2006	11	—	—	(105,372)	(105,372)	—	(105,372)
Balance at 30 June 2006		39,027	4,614	4,194,386	4,238,027	5,221	4,243,248
Balance at 1 January 2007		39,027	4,614	4,377,963	4,421,604	4,933	4,426,537
Profit for the half-year		—	—	246,933	246,933	(385)	246,548
Proceeds from shares issued:							
– Employees share option scheme		93	13,252	—	13,345	—	13,345
Dividend relating to 2006 paid in May 2007	11	—	—	(105,607)	(105,607)	—	(105,607)
Balance at 30 June 2007		**39,120**	**17,866**	**4,519,289**	**4,576,275**	**4,548**	**4,580,823**

The notes on pages 26 to 44 form an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated
Interim Cash Flow Statement

(All amounts in HK dollars thousands unless otherwise stated)

	Unaudited Six months ended 30 June	
	2007	2006
Cash flows from operating activities:		
– continuing operations	**309,711**	367,459
Cash flows from operating activities - net	**309,711**	367,459
Cash flows used in investing activities:		
– purchases of property, plant and equipment	**(162,090)**	(117,705)
– purchases of intangible assets	**(291)**	(97)
– proceeds on disposal of property, plant and equipment	**215**	30
– other investing cash flow - net	**50,044**	38,579
Cash flows used in investing activities - net	**(112,122)**	(79,193)
Cash flows used in financing activities:		
– dividend paid	**(105,607)**	(105,372)
– issues of new shares	**13,345**	—
Cash flows used in financing activities - net	**(92,262)**	(105,372)
Net increase in cash and cash equivalents	**105,327**	182,894
Cash and cash equivalents at start of period	**1,979,457**	1,635,526
Cash and cash equivalents at end of period, representing bank balances and cash	**2,084,784**	1,818,420

The notes on pages 26 to 44 form an integral part of these condensed consolidated interim financial statements.

Notes to the

Condensed Consolidated Interim Financial Statements

(All amounts in HK dollars thousands unless otherwise stated)

1. General Information

Asia Satellite Telecommunications Holdings Limited (the "Company") and its subsidiaries (together the "Group") are engaged in the provision of transponder capacity.

The Company is a limited liability company incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda (as amended). The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.

The Company's shares are listed on the New York Stock Exchange and The Stock Exchange of Hong Kong Limited (hereafter collectively referred to as the "Stock Exchange").

The condensed consolidated interim financial statements was approved for issue on 23 August 2007.

2. Basis of Preparation

These condensed consolidated interim financial statements for the half year ended 30 June 2007 has been prepared in accordance with IAS/HKAS 34, 'Interim financial reporting'. The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2006.

3. Accounting Policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2006, as described in the annual financial statements for the year ended 31 December 2006.

The following new standards, amendments to standards and interpretations are mandatory for financial year ending 31 December 2007:

- IFRIC/HK(IFRIC) – Int 7, 'Applying the Restatement Approach under HKAS 29', effective for annual periods beginning on or after 1 March 2006. This interpretation is not relevant for the Group;
- IFRIC/HK(IFRIC) – Int 8, 'Scope of IFRS/HKFRS 2', effective for annual periods beginning on or after 1 May 2006. This interpretation is not relevant for the Group;
- IFRIC/HK(IFRIC) – Int 9, 'Reassessment of Embedded Derivatives', effective for annual periods beginning on or after 1 June 2006. This interpretation is not relevant for the Group;

3. Accounting Policies (continued)

- IFRIC/HK(IFRIC) – Int 10, 'Interim Financial Reporting and Impairment', effective for annual periods beginning on or after 1 November 2006. This interpretation is not relevant for the Group;
- IFRS/HKFRS 7, 'Financial Instruments: Disclosures', effective for annual periods beginning on or after 1 January 2007. This standard is not relevant for the Group; and
- IAS/HKAS 1, 'Amendments to capital disclosures', effective for annual periods beginning on or after 1 January 2007. This amendment has been adopted by the Group.

The following new standards, amendments to standards and interpretations have been issued but are not effective for 2007 and have not been early adopted:

- HKAS 23 (Revised), 'Borrowing Costs', effective for annual periods beginning on or after 1 January 2009;
- HKFRS 8, 'Operating Segments', effective for annual periods beginning on or after 1 January 2009;
- HK(IFRIC) – Int 11, 'HKFRS 2- Group and Treasury Share Transactions', effective for annual periods beginning on or after 1 March 2007; and
- HK(IFRIC) – Int 12, 'Service Concession Arrangement', effective for annual periods beginning on or after 1 January 2008.

(All amounts in HK dollars thousands unless otherwise stated)

4. Sales and Segment Information

Sales:

The Group's sales are analysed as follows:

	Six months ended 30 June	
	2007	2006
Income from provision of satellite transponder capacity		
– recurring	**438,262**	415,530
– non-recurring	**8,190**	45,578
Sales of satellite transponder capacity	**12,246**	12,246
Other revenue	**2,588**	2,406
	461,286	475,760

The Group has only one business segment, namely the operation, maintenance and provision of satellite telecommunication systems for broadcasting and telecommunications. The Group's primary reporting format for segment reporting purposes under HKAS 14 "Segment Reporting" is the geographical basis. For the purpose of classification, the country where the customer is incorporated is deemed to be the source of sales. However, the Group's operating assets consist primarily of its satellites which are used, or are intended for use, for transmission to multiple geographical areas and therefore cannot be allocated between geographical segments. Accordingly, no geographical analysis of expenses, assets and liabilities has been presented.

The following table provides an analysis of the Group's sales by geographical markets:

	Six months ended 30 June	
	2007	2006
Hong Kong	**167,455**	170,404
Greater China, including Taiwan	**93,756**	94,077
United States of America	**35,597**	39,874
United Kingdom	**26,662**	26,372
British Virgin Islands	**1,409**	1,409
Others	**136,407**	143,624
	461,286	475,760

(All amounts in HK dollars thousands unless otherwise stated)

5. Capital Expenditure – Group

	Intangible assets – Licences	Property, plant and equipment	Leasehold land and land use rights
Six months ended 30 June 2006			
Opening net book amount as at 1 January 2006	1,339	2,620,911	24,199
Additions	97	118,096	—
Disposals	—	(629)	—
Depreciation and amortisation (Note 8)	(80)	(148,193)	(292)
Depreciation and amortisation eliminated on disposals	—	624	—
Closing net book amount as at 30 June 2006	1,356	2,590,809	23,907
Six months ended 30 June 2007			
Opening net book amount as at 1 January 2007	1,276	2,630,847	23,616
Additions	291	199,937	—
Disposals	—	(973)	—
Depreciation and amortisation (Note 8)	(80)	(148,520)	(292)
Depreciation and amortisation eliminated on disposals	—	972	—
Closing net book amount as at 30 June 2007	1,487	2,682,263	23,324

(All amounts in HK dollars thousands unless otherwise stated)

6. Trade and Other Receivables – Group

	30 June 2007	31 December 2006
Trade receivables	**69,777**	81,888
Trade receivables from related parties (Note 14)	**13,029**	10,660
Less: provision for impairment of receivables	**(22,462)**	(22,462)
Trade receivables – net	**60,344**	70,086
Receivables from related parties (Note 14)	**16,716**	14,629
Other receivables	**24,935**	14,068
Deposits and prepayments	**37,254**	20,864
	139,249	119,647

The Company does not normally provide credit terms to its trade customers. The Company usually bills its trade customers quarterly in advance in accordance with its agreements. The aged analysis of trade receivables is stated as follows:

	30 June 2007	31 December 2006
0 to 30 days	**45,779**	29,329
31 to 60 days	**10,930**	15,967
61 to 90 days	**2,757**	15,717
91 to 180 days	**346**	7,884
181 days or above	**532**	1,189
	60,344	70,086

(All amounts in HK dollars thousands unless otherwise stated)

7. Capital

	Number of shares (thousands)	Ordinary shares	Share premium	Total
At 31 December 2006	390,266	39,027	4,614	43,641
At 1 January 2007	390,266	39,027	4,614	43,641
Proceeds from shares issued:				
– Employees share option scheme	930	93	13,252	13,345
At 30 June 2007	391,196	39,120	17,866	56,986

The total authorised number of ordinary shares is 550,000,000 shares (31 December 2006: 550,000,000 shares) with a par value of HK$0.10 per share (31 December 2006: HK$0.10 per share). All issued shares are fully paid.

SHARE OPTION SCHEME

All the share option schemes were lapsed with the completion of MGO Offers on 26 June 2007. The details of these schemes are the same as those set out in note 15 to the 2006 annual financial statements.

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

OPTION B:

	30 June 2007		31 December 2006	
	Average exercise price in HK$ per share	**Options**	Average exercise price in HK$ per share	Options
At 1 January	**17.48**	**1,630,000**	17.48	1,655,000
Granted	**—**	**—**	—	—
Forfeited	**—**	**—**	—	—
Exercised	**—**	**—**	—	—
Lapsed/Cancelled	**17.48**	**(1,630,000)**	17.48	(25,000)
At 30 June/31 December	**17.48**	**—**	17.48	1,630,000

(All amounts in HK dollars thousands unless otherwise stated)

7. Capital (continued)

OPTION C:

	30 June 2007		31 December 2006	
	Average exercise price in HK$ per share	**Options**	Average exercise price in HK$ per share	Options
At 1 January	**14.35**	**3,211,500**	14.35	3,311,500
Granted	**—**	**—**	—	—
Forfeited	**—**	**—**	—	—
Exercised	**14.35**	**(930,000)**	14.35	—
Lapsed/Cancelled	**14.35**	**(2,281,500)**	14.35	(100,000)
At 30 June/31 December	**14.35**	**—**	14.35	3,211,500

On 13 February 2007, AsiaCo Acquisition Limited ("AsiaCo") put forward a share offer to privatise the Company by way of a scheme of arrangement under Section 99 of the Companies Act, and an option offer to purchase the outstanding share options in the Company. It was proposed that upon completion of the scheme, the Company would become wholly-owned by AsiaCo Acquisition Limited and Bowenvale Limited and indirectly owned by CITIC Group and General Electric Company ("GE").

On 29 March 2007, GE became a major shareholder in the Company holding approximately 34.03% of the issued share capital of the Company subsequent to the completion of the Exchange Transaction and transfer of shares between GE and SES S.A., a shareholder of Bowenvale Limited .

On 23 April 2007, the United States Department of State did not grant the approval necessary to implement the proposed privatisation of the Company. The proceeding of privatisation without obtaining the authorisation from the US Department of State would result in the Company being deemed to be in breach of important US Department of State approvals previously granted to the Company in relation to its business. CITIC and GE have therefore decided to discontinue the scheme.

The completion of the Exchange Transaction on 29 March 2007, it resulted in the formation of a new concert group thereby triggering an obligation to launch unconditional Mandatory General Offers ("MGO"). The MGO for all shares and American Depositary Shares and outstanding options of the Company was launched on 25 May 2007.

On 26 June 2007, the MGO was concluded with 930,000 share options exercised and 3,911,500 share options cancelled.

(All amounts in HK dollars thousands unless otherwise stated)

7. Capital (continued)

The total number of outstanding share options was nil as at 30 June 2007 (31 December 2006: 4,841,500 options) and shown as follows :

	30 June 2007		31 December 2006	
	Average exercise price in HK$ per share	**Options**	Average exercise price in HK$ per share	Options
Option B	**17.48**	**—**	17.48	1,630,000
Option C	**14.35**	**—**	14.35	3,211,500
Total		**—**		4,841,500

Share options outstanding at the end of the respective period have the following expiry date and exercise prices:

		Share options	
Expiry date	Exercise price HK$ per share	**30 June 2007**	31 December 2006
30 September 2009	17.48	**—**	1,630,000
3 February 2012	14.35	**—**	3,211,500
		—	4,841,500

(All amounts in HK dollars thousands unless otherwise stated)

8. Operating Profit

The following items have been credited/charged to the operating profit during the interim period:

	Six months ended 30 June	
	2007	2006
Interest income	**53,234**	41,006
Gain on disposal of property, plant and equipment other than transponders	**214**	25
Others	**(44)**	7
	53,404	41,038
Salary and other benefits, including directors' remuneration	**34,325**	38,754
Contributions to retirement benefits schemes	**2,367**	2,317
Total staff costs	**36,692**	41,071
Auditors' remuneration	**567**	888
Depreciation, amortisation and impairment expenses (Note 5)		
– Intangible assets - Licences	**80**	80
– Property, plant and equipment	**148,520**	148,193
Operating leases		
– premises	**2,205**	2,189
– leasehold land & land use rights	**292**	292
Net exchange (gain)/loss	**(1,290)**	813

(All amounts in HK dollars thousands unless otherwise stated)

9. Income Tax Expense

A significant portion of the Group's profit is treated as earned outside Hong Kong and is not subject to Hong Kong profits tax.

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profit for the period.

Overseas tax, including the Foreign Enterprises Income Tax in the People's Republic of China, is calculated at 5% to 20% of the gross revenue earned in certain overseas jurisdictions.

	Six months ended 30 June	
	2007	2006
Current income tax		
– Hong Kong profits tax	**25,003**	26,771
– Overseas taxation	**9,411**	8,703
Deferred income tax reversal	**(4,589)**	(6,694)
	29,825	28,780

The Company currently has a tax case in dispute with the Indian tax authorities. Details of this are set out in note 12.

(All amounts in HK dollars thousands unless otherwise stated)

10. Earnings per share

Earnings per share attributable to equity holders of the Company arises from continuing operations as follows:

	Six months ended 30 June HK$ per share	
	2007	2006
Earnings per share for profit from continuing operations attributable to the equity holders of the Company (expressed in HK$ per share)		
– basic	**0.63**	0.61
– diluted	**0.63**	0.61

11. Dividends

A 2006 final dividend of HK$0.27 (2005 final: HK$0.27) per ordinary share, totalling $105,607 was paid in May 2007 (six months ended 30 June 2006: $105,372).

(All amounts in HK dollars thousands unless otherwise stated)

12. Contingent Liabilities

Under Indian tax regulations, the Group may be subject to Indian income tax on revenues received by the Group in respect of income from provision of satellite transponder capacity to the Group's customers for purposes of those customers carrying on business in India or earning income from any source in India.

The Indian tax authorities have assessed the Group for income tax as follows:

Assessment year	Amount HK$ (approximate)	Amount INR (approximate)
1997-98	20 million	115 million
1998-99	23 million	141 million
1999-00	22 million	127 million
2000-01	14 million	84 million
2001-02	29 million	171 million
2002-03	38 million	210 million
2003-04	50 million	316 million
2004-05	58 million	330 million
Total	254 million	1,494 million

The Group has filed appeals for each of the assessment years 1997-98 to 2004-05.

No assessment has yet been made for the 2005-06 or 2006-07 assessment years.

The Income Tax Appellate Tribunal (the "Tribunal") in an earlier appeal filed against the original assessment for the assessment year 1997-98 held that the Group is liable for Indian income tax under certain circumstances. The Group does not believe that it is liable for the Indian income tax as held by the Tribunal and has filed an appeal against the Tribunal's decision. The tax authorities have also filed an appeal against the Tribunal's decision. Both the appeals have been admitted by the High Court.

(All amounts in HK dollars thousands unless otherwise stated)

12. Contingent Liabilities (continued)

In order to obtain a stay of recovery proceedings, the Group has made payments as follows and has recorded these payments as an asset on the assumption that the amounts are recoverable:

Assessment year	Amount HK$ (approximate)	Amount INR (approximate)
1997-98	13 million	78 million
1998-99	14 million	88 million
1999-00	11 million	62 million
2000-01	9 million	50 million
2001-02	20 million	119 million
2002-03	27 million	148 million
2003-04	39 million	226 million
2004-05	34 million	195 million
Total	167 million	966 million

In addition, based on the general principles set forth by the Tribunal, the amount of income taxable in India depends on the payments made by the Group's customers to the Group for the purpose of those customers carrying on business in India or earning income from any source in India. As such information is proprietary in nature and has not been provided by the Group's customers, the Group cannot reasonably estimate the taxable income and therefore also cannot estimate the amount of income tax to which the Group may be assessed. Furthermore, as stated above, the Group has filed an appeal against the Tribunal's decision. The appeal has been admitted by the High Court and is pending before the Court. Accordingly, no provision has been recognised for Indian income tax in the Group's financial statements.

(All amounts in HK dollars thousands unless otherwise stated)

13. Commitments - Group

CAPITAL COMMITMENTS

Capital expenditure at the balance sheet date but not yet incurred is as follows:

	30 June 2007	31 December 2006
AsiaSat 5		
Contracted but not provided for	**614,178**	810,048
Authorised but not contracted for	**294,054**	296,548
Other assets		
Contracted but not provided for	**586**	111
	908,818	1,106,707

OPERATING LEASE COMMITMENTS – WHERE THE GROUP IS THE LESSEE

The Group leases certain of its office and residential premises under non-cancellable operating leases. Leases are negotiated for an average term of two to four years. The lease expenditure expensed in the income statement during the period is disclosed in note 8.

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

	30 June 2007	31 December 2006
Not later than 1 year	**2,630**	4,068
Later than 1 year and not later than 5 years	**—**	745
Later than 5 years	**—**	—
	2,630	4,813

(All amounts in HK dollars thousands unless otherwise stated)

13. Commitments - Group (continued)

OPERATING LEASE COMMITMENTS – WHERE THE GROUP IS THE LESSOR

The Group leases its office premises under non-cancellable operating leases. The lease income recognised in the income statement during the period was $276 (2006: $276).

The Group had contracted with the customer for the following future minimum lease payments:

	30 June 2007	31 December 2006
Within one year	**460**	552
One to two years	**—**	184
Two to three years	**—**	—
Three to four years	**—**	—
	460	736

14. Related-Party Transactions

As at 30 June 2007, there had been a change in one of the major shareholders of the Company. General Electric Company ("GE") has become a major shareholder of the Company on acquiring approximately 36.84% of the issued share capital of the Company. CITIC Group, the Company's founding shareholder, remains as the other major shareholder with approximately 37.59% of the issued share capital of the Company. As at 29 March 2007, SES S.A. (the then major shareholder of the Company) ceased to have shareholding in the Company, but together with its subsidiary, are still classified as related parties for the year ended 31 December 2007. The remaining 25.57% of the outstanding shares are held by the public.

(All amounts in HK dollars thousands unless otherwise stated)

14. Related-Party Transactions (continued)

The following transactions were carried out with related parties:

i) Income from provision of satellite transponder capacity

The Group has entered into agreements for the provision of transponder capacity to a subsidiary of CITIC, CITIC Guoan Information Industry Company Limited. CITIC Group is a substantial shareholder of the Company throughout the period.

During the period, the Group recognised income from provision of satellite transponder capacity from its associate, SpeedCast.

	Six months ended 30 June	
	2007	2006
CITIC Guoan Information Industry Company Limited	**—**	1,108
SpeedCast Limited (an associate)	**24,106**	22,398
	24,106	23,506

ii) Agency fee

In addition, the Group has entered into an agreement with CITIC Technology Company Limited, a subsidiary of CITIC, for collecting money from China customers on behalf of the Group.

	Six months ended 30 June	
	2007	2006
CITIC Technology Company Limited	**194**	264

(All amounts in HK dollars thousands unless otherwise stated)

14. Related-Party Transactions (continued)

iii) Key management compensation

Key management compensation amounted to $17,933 as of 30 June 2007 ($7,597 as of 30 June 2006) as below:

	Six months ended 30 June	
	2007	2006
Salaries and other short-term benefits	**14,953**	7,597
Share-based payments	**2,980**	—
	17,933	7,597

The Group made payments to SES S.A. and its subsidiary, a subsidiary of CITIC Group, and GE for certain Non-executive Directors representing SES S.A, GE and CITIC Group.

	Six months ended 30 June	
	2007	2006
SES S.A.	**100**	275
A subsidiary of CITIC Group	**250**	250
GE	**77**	—
	427	525

(All amounts in HK dollars thousands unless otherwise stated)

14. Related-Party Transactions (continued)

iv) Income from provision of uplink services and certain equipments

The Group has entered into an agreement for the provision of uplink services and certain equipment for Ku-Band monitoring capacity to SES Americom, Inc., a subsidiary of SES S.A.

The Group has also provided temporary uplink services to its associate, SpeedCast Limited.

	Six months ended 30 June	
	2007	2006
SES Americom, Inc.	**130**	108
SpeedCast Limited (an associate)	**17**	—
	147	108

v) Period/Year-end balances arising from these transactions

	30 June 2007	31 December 2006
Trade receivables from related parties (note 6):		
SpeedCast Limited (an associate)	**13,029**	10,660
Receivables from related parties (note 6):		
CITIC Technology Company Limited	**16,716**	14,629
Payables to related parties:		
CITIC Technology Company Limited	**428**	479
Deferred revenue to related parties:		
SES Americom, Inc.	**22**	22

The trade receivables from related parties are payable in accordance with the agreements. The receivables from and payables to related parties have no fixed terms of payment. The receivables and payables are unsecured in nature and bear no interest.

The above transactions were entered into on commercial terms determined and agreed by the Group and the relevant parties.

(All amounts in HK dollars thousands unless otherwise stated)

15. Events Occurring After the Balance Sheet Date

i) A dividend of HK$0.08 per share amounting to a dividend of $31,296 was declared on 23 August 2007 by the Board of Directors at the meeting on 23 August 2007. This interim financial report does not reflect this dividend payable, which will be recognised in shareholders' equity as an appropriation of retained earnings in the year ended 31 December 2007.

ii) On 22 August 2007, the Board approved the establishment of a share award scheme (the "Scheme") having previously approved the creation of such a scheme in principle in 2005. The objective of the Scheme is to enhance the competitiveness of the Company in attracting and retaining the best senior staff for the development of the Company's business. Under the Scheme, award shares of the Company (the "Award Shares") will be granted to eligible employees of the Company or any one of its subsidiaries (the "Subsidiary"). Any Award Shares so granted will vest after a certain period or lapse in certain circumstances as set out in the Scheme rules. The Company has appointed Equity Trust (Jersey) Limited to be the trustee to purchase and hold the Award Shares upon trust to facilitate the servicing of the Scheme for the benefit of the eligible employees. The Scheme was adopted on 22 August 2007.

Supplementary Information for ADR Holders

(All amounts in HK dollars thousands unless otherwise stated)

The Group's financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong ("HK GAAP"), which differ in certain significant respects from those in the United States ("US GAAP"). The significant differences relating principally to the following items and the adjustments considered necessary to restate profit for the period (net income) and shareholders' funds (shareholders' equity) in accordance with US GAAP are shown in the tables set out below.

The following table summarises the effect on profit (net income) of differences between HK GAAP and US GAAP for the period:

	Six months ended 30 June (unaudited)		
	2007	**2007**	2006
	US$'000		
	(Note 1)		
Profit for the period (net income) as reported under HK GAAP	**31,658**	**246,933**	239,211
US GAAP adjustments:			
Amortisation of interest and borrowing costs (a)	**(517)**	**(4,036)**	(4,036)
Stock compensation using the fair value method (c)	**—**	**—**	(323)
Tax effect on reconciling items (d)	**45**	**354**	354
Profit for the period (net income) under US GAAP	**31,186**	**243,251**	235,206
Basic and diluted earnings per share under US GAAP	**US$0.08**	**HK$0.62**	HK$0.60
Basic and diluted earnings per American Depositary Share ("ADS") under US GAAP (Note 2)	**US$0.80**	**HK$6.22**	HK$6.03
Shares used in computation of basic earnings per share (in thousands)	**390,547**	**390,547**	390,266
Shares used in computation of diluted earnings per share (in thousands)	**390,875**	**390,875**	390,266

Supplementary

Information for ADR Holders

(All amounts in HK dollars thousands unless otherwise stated)

The following table summarises the effect on shareholders' equity of the differences between HK GAAP and US GAAP:

	30 June 2007 (unaudited) US$'000 (Note 1)	**30 June 2007 (unaudited)**	31 December 2006 (audited)
Shareholders' equity as reported under HK GAAP	**586,702**	**4,576,275**	4,421,604
US GAAP adjustments:			
Capitalisation of interest and borrowing costs (a)	**15,767**	**122,980**	122,980
Amortisation of interest and borrowing costs (a)	**(11,889)**	**(92,725)**	(88,689)
Amortisation of goodwill (b)	**1,452**	**11,325**	11,325
Impairment loss of goodwill (b)	**(1,424)**	**(11,104)**	(11,104)
Stock compensation using the fair value method (c)	**—**	**—**	(323)
Tax effect of reconciling items (d)	**(868)**	**(6,771)**	(7,125)
Shareholders' equity under US GAAP	**589,740**	**4,599,980**	4,448,668

(a) Capitalisation of interest and borrowing costs

Under HK GAAP, interest on bank loans and related costs of obtaining the loans (including costs incurred in connection with loan facilities) taken out to finance construction of satellites is capitalised during the period of construction. Under US GAAP, the interest cost incurred during the period of construction that could have been avoided if the construction of satellites had not been made, is capitalised. The interest capitalised is computed by applying an average borrowing rate of outstanding debt to the total amount of qualifying assets under construction, not to exceed total interest costs incurred.

In addition, under US GAAP, certain related borrowing costs payable to lenders are excluded from the amounts capitalised.

(All amounts in HK dollars thousands unless otherwise stated)

(b) Amortisation and impairment loss of goodwill

Under HK GAAP, HKFRS 3 requires all business combinations for which the agreement date is on or after 1 January 2005 to be accounted for using the purchase method. Goodwill acquired in a business combination will no longer be amortised but will be subject to impairment tests at least annually in accordance with HKAS 36. Upon the adoption of HKFRS 3, the net carrying amount of goodwill carried on the balance sheet is frozen and will be tested for impairment. Goodwill previously taken directly to reserves will no longer be subject to impairment testing and will not be recognised in the income statement when all or part of the business to which the goodwill relates is disposed of. Accordingly, goodwill previously taken directly to reserves will not impact the income statement in the future upon the adoption of HKAS 36.

Under US GAAP, effective from 1 January 2002, goodwill is: (i) no longer amortised, (ii) assigned to a reporting unit and (iii) tested for impairment at least annually. Prior to 1 January 2002, goodwill was amortised over its estimated useful life, not to exceed 40 years under US GAAP.

(c) The stock compensation expenses using fair value method was described in note 32 (c) to the Form 20-F reports for the year ended 31 December 2006 that filed with SEC in USA.

(d) The amounts included in the reconciliation show the income tax effects of the differences between HK GAAP and US GAAP as described above.

Notes:

1. The translations of Hong Kong dollar amounts into United States dollars are for convenience only and have been made at a rate of HK$7.8 to US$1, the approximate rate of exchange at 30 June 2007. Such translations should not be construed as representations that the Hong Kong dollar amounts could be converted into United States dollars at that or any other rate.

2. One ADS is equivalent to 10 ordinary shares.

Report on Review of
Interim Financial Statements

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To the Board of Directors of

Asia Satellite Telecommunications Holdings Limited

(Incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial statements set out on pages 21 to 44, which comprises the condensed consolidated balance sheet of Asia Satellite Telecommunications Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2007 and the related condensed consolidated statements of income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial statements to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these interim financial statements in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim financial statements based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 23 August 2007

Shareholder Information

2007 Financial Calendar

Interim results announcement	23 August 2007
Last day to register for 2007 interim dividend	3 October 2007
Book closure period	4 – 11 October 2007
Interim dividend payment	13 November 2007
Financial year end	31 December

Principal Share Registrars and Transfer Office

Butterfield Fund Services (Bermuda) Limited

Rosebank Centre

11 Bermudiana Road

Hamilton

Bermuda

Hong Kong Branch Share Registrars and Transfer Office

Computershare Hong Kong Investor Services Limited

Rooms 1712-1716, 17th Floor, Hopewell Centre

183 Queen's Road East

Hong Kong

Any matter relating to your shareholding, such as transfer of shares, change of name or address, and loss of share certificates should be addressed in writing to the Registrar as above.

Shareholder Information

ADR Depositary Bank

The Bank of New York

Investor Relations

PO Box 11258

Church Street Station

New York, NY 10286-1258

USA

Tel: (908) 769 9835 / (908) 769 9711

Any specific enquiries concerning the Company's ADRs should be addressed to the above.

Listing

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited. In addition, the shares are traded on the New York Stock Exchange, Inc. through an American Depositary Shares (ADSs) Level III Programme sponsored by the Bank of New York. Each ADS is equivalent to 10 ordinary shares.

Ordinary Shares

Shares outstanding as at 30 June 2007: 391,195,500 ordinary shares

Free float: 100,020,805 ordinary shares (25.57%)

Nominal value: HK$0.10 per share

Stock Code

The Stock Exchange of Hong Kong Limited	1135
New York Stock Exchange, Inc.	SAT
Reuters	1135.HK
Bloomberg	SAT

Interim Report 2007

Copies of interim reports can be obtained by writing to:

Manager, Corporate Affairs

Asia Satellite Telecommunications Holdings Limited

17th Floor, The Lee Gardens

33 Hysan Avenue

Causeway Bay

Hong Kong

Shareholder Information

Form 20-F 2006 for the fiscal year ended 31 December 2006

The Form 20-F report is available at website: http://www.asiasat.com

Website

http://www.asiasat.com

Annual/Interim reports and accounts, and Form 20-F are available on line.

Company Contact

General enquiry regarding the Company during normal office hours should be addressed to:

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