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ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED

亞洲衛星控股有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 1135

DISCLOSEABLE TRANSACTION

LAUNCH CONTRACTS FOR ASIASAT 6 AND ASIASAT 8

Reference is made to the announcement and circular of the Company dated 11 November 2011 and 16 December 2011 respectively relating to the Construction Agreements for the construction of AsiaSat 6 and AsiaSat 8 and the provision of associated equipment and services.

On 8 February 2012, AsiaSat entered into the Launch Contracts with the Launch Service Provider for the provision of two (2) launch services from the Launch Site for the launch of AsiaSat 6 and AsiaSat 8 respectively, at an aggregate cash consideration of approximately US\$104.44 million (equivalent to approximately HK\$814.63 million), subject to adjustments in the event that either of the Launch Contracts is terminated (for any reason other than a material breach of the Launch Service Provider or a delay on the part of the Launch Service Provider).

As all applicable percentage ratios attributable to the Launch Contracts exceeds 5% but is less than 25%, the Launch Contracts constitutes a discloseable transaction of the Company, and is subject to the announcement requirement but exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Launch Contracts, when aggregated with the Construction Agreements (details of which are set out in the Previous Disclosures) pursuant to Rule 14.22 of the Listing Rules, would remain as a major transaction under the Listing Rules. As the Company has complied with the major transaction requirements in respect of the Construction Agreements, the Company is not required to reclassify the Launch Contracts by aggregating it with the Construction Agreements.

INTRODUCTION

Reference is made to the Previous Disclosures. On 8 February 2012, AsiaSat entered into the Launch Contracts with the Launch Service Provider for the provision of two (2) launch services for the launch of AsiaSat 6 and AsiaSat 8 respectively.

ASIASAT 6 LAUNCH CONTRACT

Date

8 February 2012

Parties

1. AsiaSat, as the customer
2. the Launch Service Provider, as the provider of the launch services in respect of AsiaSat 6

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Launch Service Provider and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Subject Matter

Pursuant to the AsiaSat 6 Launch Contract, the Launch Service Provider shall provide one (1) launch service from the Launch Site for launching AsiaSat 6 during the three (3) month period from 1 January 2014 to 31 March 2014 in accordance with the terms of the AsiaSat 6 Launch Contract.

Consideration and Payment

The consideration for the provision of such launch services is approximately US\$52.22 million (equivalent to approximately HK\$407.32 million), US\$5 million (equivalent to approximately HK\$39 million) of which is payable upon signing of the AsiaSat 6 Launch Contract. The remaining balance of the consideration will be payable in stages, the final balance of which will be payable within five (5) days following the date of the launch.

In the event that AsiaSat terminates the AsiaSat 8 Launch Contract for any reason other than a material breach of the Launch Service Provider or a delay on the part of the Launch Service Provider, the AsiaSat 6 Launch Price will increase to approximately US\$54.31 million (approximately HK\$423.62 million).

In the event that the launch of AsiaSat 6 is delayed beyond 31 March 2014 for any reason other than a delay on the part of AsiaSat, AsiaSat shall have the right to terminate the AsiaSat 6 Launch Contract (exercisable by notice in writing not later than the applicable exercise deadline) and either:

- (i) obtain a full refund of all payments made by AsiaSat to the Launch Service Provider under the AsiaSat 6 Launch Contract within thirty (30) days of such notice of termination; or
- (ii) apply all such payments to the consideration payable under the AsiaSat 8 Launch Contract or a future launch service by the Launch Service Provider.

The AsiaSat 6 Launch Price was negotiated on an arm's length basis taking into account the fees for similar services available in the market. Such consideration will be paid in cash and will be fully funded by the internal resources of the Group.

ASIASAT 8 LAUNCH CONTRACT

Date

8 February 2012

Parties

1. AsiaSat, as the customer
2. the Launch Service Provider, as the provider of the launch services in respect of AsiaSat 8

Subject Matter

Pursuant to the AsiaSat 8 Launch Contract, the Launch Service Provider shall provide one (1) launch service from the Launch Site for launching AsiaSat 8 during the three (3) month period from 1 March 2014 to 31 May 2014 in accordance with the terms of the AsiaSat 8 Launch Contract.

Consideration and Payment

The consideration for the provision of such launch services is approximately US\$52.22 million (equivalent to approximately HK\$407.32 million), US\$5 million (equivalent to approximately HK\$39 million) of which is payable upon signing of the AsiaSat 8 Launch Contract. The remaining balance of the consideration will be payable in stages, the final balance of which will be payable within five (5) days following the date of the launch.

In the event that AsiaSat terminates the AsiaSat 6 Launch Contract for any reason other than a material breach by the Launch Service Provider or a delay caused by the Launch Service Provider, the AsiaSat 8 Launch Price will increase to approximately US\$54.31 million (approximately HK\$423.62 million).

In the event that the launch of AsiaSat 8 is delayed beyond 31 May 2014 for any reason other than a delay on the part of AsiaSat, AsiaSat shall have the right to terminate the AsiaSat 8 Launch Contract and either:

- (i) obtain a full refund of all payments made by AsiaSat to the Launch Service Provider under the AsiaSat 8 Launch Contract within thirty (30) days of such notice of termination; or
- (ii) apply all such payments to the consideration payable under the AsiaSat 6 Launch Contract or a future launch service by the Launch Service Provider.

The AsiaSat 8 Launch Price was negotiated on an arm's length basis taking into account the fees for similar services available in the market. Such consideration will be paid in cash and will be fully funded by the internal resources of the Group.

REASONS FOR AND BENEFITS OF THE LAUNCH CONTRACTS

Having considered factors such as the reliability, cost efficiency and price competitiveness of the Launch Service Provider, the Directors consider that it is commercially beneficial for the Company to engage the Launch Service Provider to perform the launch of AsiaSat 6 and AsiaSat 8, and believe that the terms of the Launch Contracts are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP

The Group is principally engaged in the provision of satellite transponder capacity and satellite services to broadcasting and telecommunications markets and broadband access services.

INFORMATION ON THE LAUNCH SERVICE PROVIDER

The Launch Service Provider is a company incorporated in Delaware, U.S.A. engaging in the business of providing launch services for satellites.

IMPLICATIONS UNDER THE LISTING RULES

As all applicable percentage ratios attributable to the Launch Contracts exceeds 5% but is less than 25%, the Launch Contracts constitutes a discloseable transaction of the Company, and is subject to the announcement requirement but exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Launch Contracts, when aggregated with the Construction Agreements (details of which are set out in the Previous Disclosures) pursuant to Rule 14.22 of the Listing Rules, would remain as a major transaction under the Listing Rules. As the Company has complied with the major transaction requirements in respect of the Construction Agreements, the Company is not required to reclassify the Launch Contracts by aggregating it with the Construction Agreements.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“AsiaSat”	Asia Satellite Telecommunications Company Limited, an indirect wholly-owned subsidiary of the Company, incorporated under the laws of Hong Kong;
“AsiaSat 6”	the new communications satellite which is being constructed by the Construction Contractor pursuant to the AsiaSat 6 Construction Agreement;
“AsiaSat 6 Construction Agreement”	the agreement dated 11 November 2011 entered into between AsiaSat and the Construction Contractor for the construction of AsiaSat 6;
“AsiaSat 6 Launch Contract”	the agreement dated 8 February 2012 entered into between AsiaSat and the Launch Service Provider for the launch of AsiaSat 6 from the Launch Site;
“AsiaSat 6 Launch Price”	the price for the launch services under the AsiaSat 6 Launch Contract;
“AsiaSat 8”	the new communications satellite, which is being constructed by the Construction Contractor pursuant to the AsiaSat 8 Construction Agreement;
“AsiaSat 8 Construction Agreement”	the agreement dated 11 November 2011 entered into between AsiaSat and the Construction Contractor for the construction of AsiaSat 8;
“AsiaSat 8 Launch Contract”	the agreement dated 8 February 2012 entered into between AsiaSat and the Launch Service Provider for the launch of AsiaSat 8 from the Launch Site;
“AsiaSat 8 Launch Price”	the price for the launch services under the AsiaSat 8 Launch Contract;
“Board”	the board of Directors;
“Company”	Asia Satellite Telecommunications Holdings Limited, a company incorporated under the laws of Bermuda, with its principal business being an investment holding company that indirectly owns 100% shareholding of AsiaSat. The shares of the Company are listed on the main board of the Stock Exchange;

“connected person(s)”	has the meaning as ascribed to it under the Listing Rules;
“Construction Agreements”	collectively, the AsiaSat 6 Construction Agreement and the AsiaSat 8 Construction Agreement, and the Construction Agreement shall refer to any one of them;
“Construction Contractor”	Space Systems/Loral, Inc.;
“Director(s)”	the directors of the Company;
“Group”	the Company and its subsidiaries including but not limited to AsiaSat;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Launch Contracts”	collectively, the AsiaSat 6 Launch Contract and the AsiaSat 8 Launch Contract, and the Launch Contract shall refer to any of them;
“Launch Price”	the AsiaSat 6 Launch Price and/or the AsiaSat 8 Launch Price (as applicable);
“Launch Service Provider”	Space Exploration Technologies Corp., a corporation organised and existing under the laws of the State of Delaware, U.S.A.;
“Launch Site”	the Launch Service Provider’s launch facility at Cape Canaveral Air Force Station (or another site as mutually agreed upon by the AsiaSat and Launch Service Provider);
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Previous Disclosures”	the announcement and circular of the Company dated 11 November 2011 and 16 December 2011 respectively relating to the Construction Agreements;
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“U.S.A.”	the United States of America;

“US\$” United States dollars, the lawful currency of the U.S.A.; and
“%” per cent.

By Order of the Board
Sue YEUNG
Company Secretary

Hong Kong, 8 February 2012

As at the date of this announcement, the Board comprises 12 directors. The Executive Director is Mr. William WADE. The Non-executive Directors are Mr. JU Wei Min (Chairman), Mr. Sherwood P. DODGE (Deputy Chairman), Mr. MI Zeng Xin, Mr. LUO Ning, Mr. Peter JACKSON, Mr. John F. CONNELLY, Ms. Nancy KU and Mr. Mark CHEN. The Independent Non-executive Directors are Professor Edward CHEN, Mr. Robert SZE and Mr. James WATKINS. The Alternate Director is Mr. CHONG Chi Yeung (alternate to Mr. MI Zeng Xin).

Conversions of US\$ into HK\$ in this announcement are for reference only and have been made at a rate of US\$1.00 to HK\$7.80. Such conversions should not be construed as representations that the US\$ amounts could be converted into HK\$ at that or any other rate.

** For identification purpose only*