

Bon-Ton Department Stores, Inc.
Form SC 13G
May 10, 2010

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13G

(RULE 13D-102)

INFORMATION STATEMENT PURSUANT TO RULE 13D-1

UNDER THE SECURITIES EXCHANGE ACT OF 1934

The Bon-Ton Stores, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

09776J101

(CUSIP Number)

April 30, 2010

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

CUSIP No. 09776J101

Page 1 of 8 Pages

1) Names of Reporting Persons

IRS Identification No. Of Above Persons

The PNC Financial Services Group, Inc. 25-1435979

2) Check the Appropriate Box if a Member of a Group (See Instructions)

a) " b) "

3) SEC USE ONLY

4) Citizenship or Place of Organization

Pennsylvania

5) Sole Voting Power

Number of

Shares 1,733,987
6) Shared Voting Power

Beneficially

Owned By

Each -0-
7) Sole Dispositive Power

Reporting

Person 32,883
8) Shared Dispositive Power

With

-0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person

1,733,987*

* See the response to Item 6.

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10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares See Instructions

11) Percent of Class Represented by Amount in Row (9)

11.13

12) Type of Reporting Person (See Instructions)

HC

CUSIP No. 09776J101

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1) Names of Reporting Persons

IRS Identification No. Of Above Persons

PNC Bancorp, Inc. 51-0326854

2) Check the Appropriate Box if a Member of a Group (See Instructions)

a) " b) "

3) SEC USE ONLY

4) Citizenship or Place of Organization

Delaware

5) Sole Voting Power

Number of

Shares 1,733,987
6) Shared Voting Power

Beneficially

Owned By

Each -0-
7) Sole Dispositive Power

Reporting

Person 32,883
8) Shared Dispositive Power

With

-0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person

1,733,987*

* See the response to Item 6.

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10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares See Instructions

11) Percent of Class Represented by Amount in Row (9)

11.13

12) Type of Reporting Person (See Instructions)

HC

CUSIP No. 09776J101

Page 3 of 8 Pages

1) Names of Reporting Persons

IRS Identification No. Of Above Persons

PNC Bank, National Association 22-1146430

2) Check the Appropriate Box if a Member of a Group (See Instructions)

a) " b) "

3) SEC USE ONLY

4) Citizenship or Place of Organization

United States

5) Sole Voting Power

Number of

Shares 1,733,987
6) Shared Voting Power

Beneficially

Owned By

Each -0-
7) Sole Dispositive Power

Reporting

Person 32,883
8) Shared Dispositive Power

With

-0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person

1,733,987*

* See the response to Item 6.

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10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares See Instructions

11) Percent of Class Represented by Amount in Row (9)

11.13

12) Type of Reporting Person (See Instructions)

BK

CUSIP No. 09776J101

Page 4 of 8 Pages

1) Names of Reporting Persons

IRS Identification No. Of Above Persons

PNC Capital Advisors, LLC 27-0640560

2) Check the Appropriate Box if a Member of a Group (See Instructions)

a) " b) "

3) SEC USE ONLY

4) Citizenship or Place of Organization

Delaware

5) Sole Voting Power

Number of

Shares 32,883
6) Shared Voting Power

Beneficially

Owned By

-0-
Each 7) Sole Dispositive Power

Reporting

Person 32,883
8) Shared Dispositive Power

With

-0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person

32,883*

* See the response to Item 6.

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10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares See Instructions

11) Percent of Class Represented by Amount in Row (9)

0.21

12) Type of Reporting Person (See Instructions)

IA

ITEM 1(a) - NAME OF ISSUER:

The Bon-Ton Stores, Inc.

ITEM 1(b) - ADDRESS OF ISSUER S PRINCIPAL EXECUTIVE OFFICES:

2801 East Market Street

York, Pennsylvania 17402

ITEM 2(a) - NAME OF PERSON FILING:

The PNC Financial Services Group, Inc.; PNC Bancorp, Inc.;

PNC Bank, National Association; and PNC Capital Advisors, LLC

ITEM 2(b) - ADDRESS OF PRINCIPAL BUSINESS OFFICE:

The PNC Financial Services Group, Inc. - One PNC Plaza, 249 Fifth Avenue, Pittsburgh, PA 15222-2707

PNC Bancorp, Inc. - 300 Delaware Avenue, Suite 304, Wilmington, DE 19801

PNC Bank, National Association - One PNC Plaza, 249 Fifth Avenue, Pittsburgh, PA 15222-2707

PNC Capital Advisors, LLC - One PNC Plaza, 249 Fifth Avenue, Pittsburgh, PA 15222-2707

ITEM 2(c) - CITIZENSHIP:

The PNC Financial Services Group, Inc. - Pennsylvania

PNC Bancorp, Inc. - Delaware

PNC Bank, National Association - United States

PNC Capital Advisors, LLC - Delaware

ITEM 2(d) - TITLE OF CLASS OF SECURITIES:

Common Stock

ITEM 2(e) - CUSIP NUMBER:

09776J101

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ITEM 3 - IF THIS STATEMENT IS FILED PURSUANT TO RULE 13d-1(b), OR 13d-2(b), CHECK WHETHER THE PERSON FILING IS A:

- (a) Broker or dealer registered under Section 15 of the Exchange Act;
 - (b) Bank as defined in Section 3(a)(6) of the Exchange Act;
 - (c) Insurance Company as defined in Section 3(a)(19) of the Exchange Act;
 - (d) Investment Company registered under Section 8 of the Investment Company Act;
 - (e) An Investment Adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
 - (f) An Employee Benefit Plan or Endowment Fund in accordance with Rule 13d-1(b)(1)(ii)(F);
 - (g) A Parent Holding Company or Control Person in accordance with Rule 13d-1(b)(1)(ii)(G);
 - (h) A Savings Association as defined in Section 3(b) of the Federal Deposit Insurance Act;
 - (i) A Church Plan that is excluded from the definition of an Investment Company under Section 3(c)(14) of the Investment Company Act;
 - (j) Group, in accordance with Rule 13d(b)(1)(ii)(J).
- If this statement is filed pursuant to Rule 13d-1(c), check this box.

ITEM 4 - OWNERSHIP:

The following information is as of April 30, 2010:

(a) Amount Beneficially Owned: 1,733,987*

* See the response to Item 6.

(b) Percent of Class: 11.13

(c) Number of shares to which such person has:

- (i) sole power to vote or to direct the vote 1,733,987
- (ii) shared power to vote or to direct the vote -0-
- (iii) sole power to dispose or to direct the disposition of 32,883
- (iv) shared power to dispose or to direct the disposition of -0-

ITEM 5 - OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS:

Not Applicable.

ITEM 6 - OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON:

Of the total shares of common stock reported herein, 1,701,104 shares are held in accounts at PNC Bank, National Association in a fiduciary capacity.

Of the total shares of common stock reported herein, 32,883 shares are held in accounts at PNC Capital Advisors, LLC in a fiduciary capacity.

ITEM 7 - IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY:

Included are the following subsidiaries of The PNC Financial Services Group, Inc. - HC:

PNC Bancorp, Inc. - HC (wholly owned subsidiary of The PNC Financial Services Group, Inc.)

PNC Bank, National Association - BK (wholly owned subsidiary of PNC Bancorp, Inc.)

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PNC Capital Advisors, LLC - IA (wholly owned subsidiary of PNC Bank, National Association)

ITEM 8 - IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP:

Not Applicable.

ITEM 9 - NOTICE OF DISSOLUTION OF GROUP:

Not Applicable.

ITEM 10 - CERTIFICATION:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

May 10, 2010
Date

By: /s/ Joseph C. Guyaux
Signature - The PNC Financial Services Group, Inc.
Joseph C. Guyaux, President
Name & Title

May 10, 2010
Date

By: /s/ Maria C. Schaffer
Signature - PNC Bancorp, Inc.
Maria C. Schaffer, Executive Vice President
Name & Title

May 10, 2010
Date

By: /s/ Joseph C. Guyaux
Signature - PNC Bank, National Association
Joseph C. Guyaux, President
Name & Title

May 10, 2010
Date

By: /s/ Kevin A. McCreadie
Signature - PNC Capital Advisors, LLC
Kevin A. McCreadie, President & CEO
Name & Title

EXHIBIT A

AGREEMENT

May 10, 2010

The undersigned hereby agree to file a joint statement on Schedule 13G under the Securities and Exchange Act of 1934, as amended (the "Act") in connection with their beneficial ownership of common stock issued by The Bon-Ton Stores, Inc.

Each of the undersigned states that it is entitled to individually use Schedule 13G pursuant to Rule 13d-1(b) of the Act.

Each of the undersigned is responsible for the timely filing of the statement and any amendments thereto, and for the completeness and accuracy of the information concerning each of them contained therein but none is responsible for the completeness or accuracy of the information concerning the others.

This Agreement applies to any amendments to Schedule 13G.

THE PNC FINANCIAL SERVICES GROUP, INC.

BY: /s/ Joseph C. Guyaux
Joseph C. Guyaux, President

PNC BANCORP, INC.

BY: /s/ Maria C. Schaffer
Maria C. Schaffer, Executive Vice President

PNC BANK, NATIONAL ASSOCIATION

BY: /s/ Joseph C. Guyaux
Joseph C. Guyaux, President

PNC CAPITAL ADVISORS, LLC

BY: /s/ Kevin A. McCreadie
Kevin A. McCreadie, President & CEO

anisation in 1996. -35- ----- APPENDIX I FINANCIAL INFORMATION -----

The following is a list of the principal subsidiaries and a controlled partnership at 31 December 2005: PARTICULARS OF ISSUED SHARE PLACE OF PRINCIPAL CAPITAL INCORPORATION AND ACTIVITIES AND AND DEBT NAME KIND OF LEGAL ENTITY PLACE OF OPERATION SECURITIES INTEREST HELD AsiaSat BVI Limited British Virgin Islands, Investment holding 3,000 ordinary shares *100% limited liability in Hong Kong of US\$1 each company Asia Satellite Hong Kong, limited Provision of satellite 30,000 ordinary shares 100% Telecommunications liability company transponder capacity and 20,000 non-voting Company Limited worldwide shares of HK\$10 each deferred Hanbury British Virgin Islands, Inactive in Hong Kong 1 ordinary share of 100% International limited liability HK\$1 each Limited company SAT Limited Republic of Mauritius, Inactive in Republic of 100 ordinary shares of *100% limited liability Mauritius US\$1 each company Skywave TV Company Hong Kong, limited Provision of DTH 3,000,002 ordinary shares 80% Limited (formerly liability company broadcasting services of HK\$10 each known as

Auspicious in Hong Kong and City Limited) Mainland China Sornico Limited Hong Kong, limited Inactive in Hong Kong 2 ordinary shares of 100% liability company HK\$10 each The First Asian Hong Kong, limited Inactive in Hong Kong N/A 1% Satellite liability Leasing Limited partnership Partnership (the "Partnership") Auspicious Colour Hong Kong, limited Inactive in Hong Kong 1 ordinary share of HK\$1 each 100% Limited liability company The Company continues to control the Partnership as it is a general partner and accordingly continues to consolidate it. * SHARES HELD DIRECTLY BY THE COMPANY. -36-----

APPENDIX I FINANCIAL INFORMATION ----- 10.

INTERESTS IN ASSOCIATES - GROUP 2005 2004 HK\$'000 HK\$'000 SHARE OF NET ASSETS Beginning of the year 11,551 24,151 Share of associates' losses (3,872) (12,380) Amortisation of goodwill - (220) ----- End of the year 7,679 11,551 ----- AMOUNT DUE FROM AN ASSOCIATE Beginning of the year 1,846 - Additions 4,769 1,846 ----- End of the year 6,615 1,846 ----- Total 14,294 13,397 ===== Interests in associates at 31 December 2005 include goodwill of HK\$442,000 (2004: HK\$442,000). -37-

----- APPENDIX I FINANCIAL INFORMATION

----- The Group's interest in its principal associates, all of which are unlisted, were as follows: PARTICULARS OF ISSUED SHARES COUNTRY OF % INTEREST NAME HELD INCORPORATION ASSETS LIABILITIES REVENUES PROFIT/(LOSS) HELD HK\$'000 HK\$'000 HK\$'000 HK\$'000 % 2004 Beijing Asia Sky N/A China 48,785 25,183 888 (2,289) 49 Telecommunications Technology Company Limited SpeedCast Holdings Ordinary shares of Cayman 35,418 21,740 49,825 (11,339) 47 Limited US\$0.0001 each Islands SpeedCast Limited Ordinary shares of Hong Kong N/A N/A N/A N/A 47 (NOTE 1) HK\$0.01 each ----- 84,203 46,923 50,713 (13,628) ===== 2005 Beijing Asia Sky N/A China 42,011 25,945 2,721 (7,909) 49 Telecommunications Technology Company Limited SpeedCast Holdings Ordinary shares of Cayman 39,392 25,345 82,673 368 47 Limited US\$0.0001 each Islands SpeedCast Limited Ordinary shares of Hong Kong N/A N/A N/A N/A 47 (NOTE 1) HK\$0.01 each ----- 81,403 51,290 85,394 (7,541) ===== The Group has not recognised profit amounting to HK\$174,000 (2004: loss HK\$5,363,000) for SpeedCast Holdings Limited as the Group's share of loss exceeds its interest in SpeedCast. The accumulated losses not recognised were HK\$12,034,000 (2004: HK\$12,208,000). NOTE: (1) SpeedCast Limited is the wholly-owned subsidiary of SpeedCast Holdings Limited. Accordingly, assets, liabilities, revenues and profit/(loss) are not disclosed again. -38-

----- APPENDIX I FINANCIAL INFORMATION

----- 11. AMOUNT PAID TO TAX AUTHORITY -

GROUP At the balance sheet date, an amount of approximately HK\$93,666,000 (2004: HK\$67,023,000) had been paid to the Government of India. For details, please refer to note 28. 12. TRADE AND OTHER RECEIVABLES -

GROUP 2005 2004 HK\$'000 HK\$'000 Trade receivables 90,653 91,364 Trade receivables from related parties (NOTE 31) 7,678 4,574 LESS: provision for impairment of receivables (30,930) (23,230) ----- Trade receivables - net 67,401 72,708 Receivables from related parties (NOTE 31) 15,503 14,628 Other receivables 10,831 7,846 Deposits and prepayments 24,863 37,226 Loan receivable from an associate (NOTE 31) - 5,070 ----- 118,598 137,478 Less non-current portion: loans to related parties - - ----- Current portion 118,598 137,478 =====

===== (a) The Group 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: 2005 2004 HK\$'000 HK\$'000 0 to 30 days 27,768 34,047 31 to 60 days 8,652 18,318 61 to 90 days 14,315 11,424 91 to 180 days 10,074 3,796 181 days or above 6,592 5,123 ----- 67,401 72,708 ===== There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed. -39-

APPENDIX I FINANCIAL INFORMATION ----- 13.

INVENTORIES - GROUP 2005 2004 HK\$'000 HK\$'000 Merchandise 434 416 ===== The cost of inventories recognised as expense and included in cost of services amounted to HK\$500,000 (2004: Nil). 14. CASH AND CASH EQUIVALENTS - GROUP 2005 2004 HK\$'000 HK\$'000 Cash at bank and in hand 13,173 4,036 Short-term bank deposits 1,622,353 1,230,319 ----- 1,635,526 1,234,355 ===== The effective interest rate on short-term bank deposits was 3.1% (2004: 2.3%); these deposits have an average maturity of 17 days. Cash includes the following for the purposes of the cash flow statement: 2005 2004 HK\$'000 HK\$'000 Cash and cash equivalents 1,635,526 1,234,355 ===== -40-

----- APPENDIX I FINANCIAL INFORMATION

----- 15. SHARE CAPITAL NUMBER OF ORDINARY

SHARE SHARES SHARES PREMIUM TOTAL (THOUSANDS) HK\$'000 HK\$'000 HK\$'000 At 31 December
 2005 and 31 December 2004 390,266 39,027 4,614 43,641 ===== The
 total authorised number of ordinary shares is 550,000,000 shares (2004: 550,000,000 shares) with a par value of
 HK\$0.10 per share (2004: HK\$0.10 per share). All issued shares are fully paid. SHARE OPTION SCHEME A share
 option scheme is adopted to provide incentives to employees and directors and to promote the long term financial
 success of the Company. The details of the scheme are as follows: SCHEME ADOPTED ON 3 JUNE 1996 In
 accordance with the Company's share option scheme (the "1996 Scheme") adopted pursuant to a resolution passed on
 3 June 1996, the Board of Directors of the Company may at their discretion grant options to all permanent, full-time
 employees of the Company and its subsidiaries, to subscribe for shares in the Company. The primary purpose of the
 1996 Scheme was to provide incentives to eligible employees. The total number of shares in respect of which options
 may be granted under the 1996 Scheme (including options already exercised) was not permitted to exceed 10% of the
 issued share capital of the Company at any point in time. The maximum number of share options issued to any
 employee, based on the subscription price of the options, shall not exceed four times the annual basic salary
 (excluding bonuses and allowances) of that employee. -41-

----- APPENDIX I FINANCIAL INFORMATION

----- Options granted must be taken up within 28 days
 from the date of grant upon payment of HK\$1 per each grant of share options. An option may be exercisable up to
 50% on or after the third anniversary of the date of grant, up to 75% on or after the fourth anniversary and fully on or
 after the fifth anniversary but before the tenth anniversary of the date of offer unless the Board of Directors specifies
 other periods. The exercise price was determined by the Board of Directors and was based on the average closing
 price of the shares for the five trading days immediately preceding the date of grant. The 1996 Scheme was terminated
 on 25 January 2002 pursuant to a resolution passed on that date. SCHEME ADOPTED ON 25 JANUARY 2002 A
 new share option scheme (the "2002 Scheme") was adopted pursuant to a resolution passed on 25 January 2002 for the
 primary purpose of attracting and retaining the best personnel for the development of the Company's businesses, and
 providing incentives to employees, Directors, consultants, agents, representatives and advisors, and promoting the
 long term financial success of the Company. The 2002 Scheme will expire on 24 January 2012. Under the 2002
 Scheme, the Board of Directors of the Company may at their discretion grant options to the employees, including
 Directors, of the Company or any company that directly, or indirectly through one or more intermediaries, controls or
 is controlled by, or is under common control with, the Company, to subscribe for shares in the Company. Options
 granted to a Director, chief executive or substantial shareholder of the Company or any of their respective associates
 must be approved by the Independent Non-executive Directors of the Company (excluding any Independent
 Non-executive Director who is also the grantee). No options have been granted during the year. At 31 December
 2002, the number of shares in respect of which options had been granted under the 2002 Scheme was 7,149,500
 representing 1.83% of the shares of the Company in issue at that date. --42-

----- APPENDIX I FINANCIAL INFORMATION

----- The total number of shares in respect of which
 options may be granted under the 2002 Scheme and any other schemes is not permitted to exceed 30% of the issued
 share capital of the Company from time to time. In addition, the total number of shares in respect of which options
 may be granted under the 2002 Scheme and any other schemes must not, in aggregate, exceed 10% of the issued share
 capital of the Company at the adoption date of the 2002 Scheme, being 39,026,550 shares, without prior approval
 from the Company's shareholders. The number of shares in respect of which options may be granted to any individual
 in any one year is not permitted to exceed 1% of the shares of the Company in issue, without prior approval from the
 Company's shareholders. Options granted to a substantial shareholder, or an Independent Non-executive Director of
 the Company, or any of their respective associates under the 2002 Scheme and any other schemes in any one year in
 excess of 0.1% of the Company's issued share capital or with a value in excess of HK\$5 million must be approved in
 advance by the Company's shareholders. Options granted must be taken up within 28 days from the date of grant upon
 payment of HK\$1 per each grant of share options. The exercise period of the share options granted under the 2002
 Scheme shall be determined by the Board of Directors when such options are granted, provided that such period shall
 not end later than 10 years from the date of grant. The exercise price is determined by the Board of Directors and will

not be less than the higher of the closing price of the Company's shares on the date of grant, or the average closing price of the shares for the five trading days immediately preceding the date of grant, or the nominal value of a share of the Company. No options were granted during the year. Total consideration received in 2002 from employees for taking up the options granted amounted to HK\$105. The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recognised in the income statements in respect of the value of options granted in the year. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are lapsed or are cancelled prior to their exercise dates are deleted from the register of outstanding options. -43-

----- APPENDIX I
FINANCIAL INFORMATION ----- Movements in the number of share options outstanding and their related weighted average exercise prices are as follows: Option A: 2005 2004 AVERAGE AVERAGE EXERCISE EXERCISE PRICE IN HK\$ PRICE IN HK\$ PER SHARE OPTIONS PER SHARE OPTIONS AT 1 JANUARY 17.48 1,691,500 17.48 1,691,500 Granted - - - - Forfeited - - - - Exercised - - - - Lapsed 17.48 (57,500) - - ----- AT 31 DECEMBER 17.48 1,634,000 17.48 1,691,500 =====
===== Option B: 2005 2004 AVERAGE AVERAGE EXERCISE EXERCISE PRICE IN HK\$ PRICE IN HK\$ PER SHARE OPTIONS PER SHARE OPTIONS AT 1 JANUARY 17.48 1,753,000 17.48 1,768,000 Granted - - - - Forfeited - - - - Exercised - - - - Lapsed 17.48 (98,000) 17.48 (15,000) ----- AT 31 DECEMBER 17.48 1,655,000 17.48 1,753,000 ===== -44-

----- APPENDIX I FINANCIAL INFORMATION
----- Option C: 2005 2004 AVERAGE AVERAGE EXERCISE EXERCISE PRICE IN HK\$ PRICE IN HK\$ PER SHARE OPTIONS PER SHARE OPTIONS AT 1 JANUARY 14.35 3,481,500 14.35 3,481,500 Granted - - - - Forfeited - - - - Exercised - - - - Lapsed 14.35 (170,000) - - ----- AT 31 DECEMBER 14.35 3,311,500 14.35 3,481,500 ===== Out of the 6,600,500 outstanding options (2004: 6,926,000 options), no. of exercisable options are as follows: 2005 2004 AVERAGE AVERAGE EXERCISE EXERCISE PRICE IN HK\$ PRICE IN HK\$ PER SHARE OPTIONS PER SHARE OPTIONS Option A 17.48 1,634,000 17.48 1,691,500 Option B 17.48 1,655,000 17.48 1,753,000 Option C 14.35 1,655,750 14.35 870,375 ----- Total 4,944,750 4,314,875 ===== -45-

----- APPENDIX I FINANCIAL INFORMATION
----- Share options outstanding at the end of the year have the following expiry date and exercise prices: EXERCISE PRICE EXPIRY DATE IN HK\$ PER SHARE SHARE OPTIONS 2005 2004 25 November 2006 17.48 1,634,000 1,691,500 30 September 2009 17.48 1,655,000 1,753,000 3 February 2012 14.35 3,311,500 3,481,500 ----- 6,600,500 6,926,000 =====

Details of specific categories of options are as follows: OPTION TYPE DATE OF GRANT VESTING PERIOD EXERCISE PERIOD EXERCISE PRICE 2002 SCHEME HK\$ A (NOTE a) 4 February 2002 - 4 February 2002 - 17.48 25 November 2006 B (NOTE a) 4 February 2002 4 February 2002 - 1 October 2002 - 17.48 30 September 2002 30 September 2009 C (NOTE b) 4 February 2002 4 February 2002 - 4 February 2004 - 14.35 3 February 2004 3 February 2012 HK\$ 1996 SCHEME D (NOTE a) 26 November 1996 26 November 1996 - 26 November 1999 - 17.48 25 November 1999 25 November 2006 E (NOTE a) 20 September 1999 20 September 1999 - 1 October 2002 - 17.48 30 September 2002 30 September 2009 NOTES: a. Pursuant to a resolution passed in the special general meeting of the Company held on 25 January 2002, the 1996 Scheme was terminated and all existing options under that scheme were cancelled. New options were issued on 4 February 2002 under the 2002 Scheme with the same exercise price and exercise periods to replace the options granted under the 1996 Scheme. OPTION TYPE A 100% between 4 February 2002 and 25 November 2006 -46-

----- APPENDIX I
FINANCIAL INFORMATION ----- The exercise periods of the following option types are divided into 3 tranches, as detailed below: OPTION TYPE D 1. Up to 50% between 26 November 1999 and 25 November 2006 2. Up to 75% between 26 November 2000 and 25 November 2006 3. Up to 100% between 26 November 2001 and 25 November 2006 OPTION TYPES B AND E 1. Up to 50% between 1 October 2002 and 30 September 2009 2. Up to 75% between 1 October 2003 and 30 September 2009 3. Up to 100% between 1 October 2004 and 30 September 2009 b. Additional share options were issued on 4 February 2002 under the 2002 Scheme. The exercise period is divided into 3 tranches, as detailed below: OPTION TYPE C 1. Up to

25% between 4 February 2004 and 3 February 2012 2. Up to 50% between 4 February 2005 and 3 February 2012 3. Up to 100% between 4 February 2006 and 3 February 2012 16. DEFERRED REVENUE - GROUP 2005 2004 HK\$'000 HK\$'000 The maturity of deferred revenue is as follows: Within one year 151,982 175,043 More than one year but not exceeding five years 87,654 111,844 ----- 239,636 286,887 LESS: amount shown as current (151,982) (175,043) ----- 87,654 111,844 ===== -47-

----- APPENDIX I FINANCIAL INFORMATION

----- 17. DEFERRED INCOME TAX Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows: GROUP COMPANY 2005 2004 2005 2004 HK\$'000 HK\$'000 HK\$'000 HK\$'000 Deferred tax assets: - Deferred tax assets to be recovered after more than 12 months - - - - Deferred tax assets to be recovered within 12 months - - - - ----- Deferred tax liabilities: - Deferred tax liabilities to be recovered after more than 12 months 192,654 205,258 - - - - Deferred tax liabilities to be recovered within 12 months - - - - ----- 192,654 205,258 - - - - ----- 192,654 205,258 - - - - ===== -48-

----- APPENDIX I FINANCIAL INFORMATION ----- The

gross movement on the deferred income tax account is as follows: GROUP COMPANY 2005 2004 2005 2004 HK\$'000 HK\$'000 HK\$'000 HK\$'000 Beginning of the year 205,258 213,522 - (76) Recognised in the income statements (NOTE 22) (12,604) (8,264) - 76 ----- End of the year 192,654 205,258 - - ===== The movement in deferred tax liabilities/(assets) during the year is as follows: DEFERRED TAX LIABILITIES/(ASSETS): GROUP COMPANY ACCELERATED TAX DEPRECIATION OTHERS TAX LOSS TOTAL TAX LOSS HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 AT 1 JANUARY 2004 213,909 (311) (76) 213,522 (76) Recognised in the income statements (6,884) (1,456) 76 (8,264) 76 Charged to equity - - - - Exchange differences - - - - ----- AT 31 DECEMBER 2004 207,025 (1,767) - 205,258 - Recognised in the income statements (13,730) 1,126 - (12,604) - Charged to equity - - - - Acquisition of subsidiary - - - - Exchange differences - - - - ----- AT 31 DECEMBER 2005 193,295 (641) - 192,654 - ===== -49-

----- APPENDIX I FINANCIAL INFORMATION

----- 18. OTHER GAINS - NET 2005 2004 HK\$'000 HK\$'000 Interest income 43,606 21,813 Gain on disposal of property, plant and equipment other than transponders 99 169 Others 6 - ----- 43,711 21,982 ===== 19. EXPENSES BY NATURE Expenses included in cost of services and administrative expenses are analysed as follows: 2005 2004 HK\$'000 HK\$'000 Auditors' remuneration 769 697 Impairment of receivables 2,987 - Provision for impairment of receivables 7,700 17,690 Depreciation, amortisation and impairment expenses (NOTES 7 AND 8) 295,278 287,382 Employee benefit expense (NOTE 20) 65,092 75,427 Operating leases - premises 5,872 5,380 - leasehold land & land use rights 583 583 Net exchange loss 547 288 ===== -50-

----- APPENDIX I FINANCIAL INFORMATION ----- 20. EMPLOYEE

BENEFIT EXPENSE 2005 2004 HK\$'000 HK\$'000 Salary and other benefits, including directors' remuneration 60,748 71,071 Pension costs - defined contribution plans 4,344 4,356 ----- Total staff costs 65,092 75,427 ===== (a) PENSIONS - DEFINED CONTRIBUTION PLANS Forfeited contributions totaling HK\$292,000 (2004: HK\$37,000) were utilised during the year leaving HK\$43,000 available at the year-end to reduce future contributions. No contributions (2004: HK\$Nil) were payable to the fund at the year-end. -51-

----- APPENDIX I FINANCIAL INFORMATION

----- (b) DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS The remuneration of every Director for the year ended 31 December 2005 is set out below: COMPENSATION EMPLOYER'S FOR CONTRIBUTION LOSS OF TO OFFICE DISCRETIONARY INDUCEMENT OTHER PENSION AS NAME OF DIRECTOR FEES SALARY BONUSES FEES BENEFITS(a) SCHEME DIRECTOR TOTAL HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 Romain BAUSCH (g) 200 - - - - - 200 Robert BEDNAREK (g) 150 - - - - - 150 Edward CHEN 225 - - - - - 225 Cynthia DICKINS 12 - - - - - 12 (b) & (g) DING Yu Cheng (h) 100 - - - - - 100 R. Donald FULLERTON 200 - - - - - 200 JU Wei Min (h) 100 - - - - - 100 KO Fai Wong (h) 100 - - - - - 100 MI Zeng Xin (h) 200 - - - - - 200 Mark

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RIGOLLE (g) 100 - - - - - 100 Robert SZE 250 - - - - - 250 Peter JACKSON - 2,672 390 - 1,961 401 - 5,424
William WADE - 2,074 302 - 1,485 311 - 4,172 Total 1,637 4,746 692 - 3,446 712 - 11,233 -52-

----- APPENDIX I FINANCIAL INFORMATION

----- The remuneration of every Director for the year ended 31 December 2004 is set out below: COMPENSATION EMPLOYER'S FOR CONTRIBUTION LOSS OF TO OFFICE DISCRETIONARY INDUCEMENT OTHER PENSION AS NAME OF DIRECTOR FEES SALARY BONUSES FEES BENEFITS(a) SCHEME DIRECTOR TOTAL HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 Romain BAUSCH (g) 200 - - - - - 200 Robert BEDNAREK (g) 150 - - - - - 150 Edward CHEN 175 - - - - - 175 DING Yu Cheng (h) 100 - - - - - 100 R. Donald FULLERTON 175 - - - - - 175 JU Wei Min (h) 125 - - - - - 125 KO Fai Wong (c) 81 - - - - - 81 & (h) LI Ting Zhou 19 - - - - - 19 (d) & (h) MI Zeng Xin (h) 200 - - - - - 200 Mark RIGOLLE 15 - - - - - 15 (e) & (g) Jurgen SCHULTE 110 - - - - - 110 (f) & (g) Robert SZE 175 - - - - - 175 Peter JACKSON - 2,619 2,619 - 1,817 393 - 7,448 William WADE - 2,033 2,033 - 1,405 305 - 5,776 Total 1,525 4,652 4,652 - 3,222 698 - 14,749 NOTES: (a) Other benefits include accommodation, car, leave passage, insurance premium and club membership. (b) Appointed on 17 November 2005. (c) Appointed on 11 March 2004. (d) Resigned on 11 March 2004. (e) Appointed on 17 November 2004. (f) Resigned on 17 November 2004. (g) Paid to SES GLOBAL and its subsidiary. (h) Paid to a subsidiary of CITIC. -53-

----- APPENDIX I FINANCIAL INFORMATION

----- (c) FIVE HIGHEST PAID INDIVIDUALS The five individuals whose emoluments were the highest in the Group for the year include two (2004: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2004: three) individuals during the years presented are as follows: 2005 2004 HK\$'000 HK\$'000 Basic salaries, housing allowances, share options, other allowances and benefits in kind 8,450 8,313 Contributions to retirement benefits scheme 701 687 Performance related incentive payments 606 3,666 ----- 9,757 12,666 =====
The emoluments fell within the following bands: NUMBER OF INDIVIDUALS 2005 2004 EMOLUMENT BANDS HK\$2,500,001 - HK\$3,000,000 1 - HK\$3,000,001 - HK\$3,500,000 1 - HK\$3,500,001 - HK\$4,000,000 1 1 HK\$4,000,001 - HK\$4,500,000 - 1 HK\$4,500,001 - HK\$5,000,000 - 1 ----- 3 3 ===== -54-

----- APPENDIX I FINANCIAL INFORMATION

----- 21. FINANCE COSTS 2005 2004 HK\$'000 HK\$'000 Interest expense: - bank borrowings: bank loans and overdrafts - 1 ===== 22. 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% (2004: 17.5%) on the estimated assessable profit for the year. 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 of the overseas jurisdictions. Details of deferred taxation are set out in note 17. The Group currently has a tax case in dispute with the Indian tax authorities. Details of this area set out in note 28. 2005 2004 HK\$'000 HK\$'000 CURRENT INCOME TAX - Hong Kong profits tax 45,056 49,574 - Overseas taxation 18,818 19,226 DEFERRED INCOME TAX (NOTE 17) (12,604) (8,264) ----- 51,270 60,536 ===== -55-

----- APPENDIX I FINANCIAL INFORMATION ----- The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated companies as follows: 2005 2004 HK\$'000 HK\$'000 Profit before tax 416,635 491,616 ===== Tax calculated at tax rate of 17.5% (2004: 17.5%) 72,911 86,033 ax effect of income not subject to tax (84,164) (91,475) Tax effect of expenses not deductible for tax purposes 43,027 44,585 Tax effect of tax losses of associates not recognised 678 2,167 Effect of income tax rate differential between Hong Kong and overseas locations 18,818 19,226 ----- Tax expense 51,270 60,536 ===== 23. NET FOREIGN EXCHANGE LOSSES The exchange differences recognised in the income statements are included as follows: 2005 2004 HK\$'000 HK\$'000 Administrative expenses 547 288 ===== 24. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$136,977,000 (2004: HK\$125,358,000). -56-

----- APPENDIX I FINANCIAL INFORMATION

----- 25. EARNINGS PER SHARE BASIC Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted

average number of ordinary shares in issue during the year. 2005 2004 HK\$'000 HK\$'000 Profit attributable to equity holders of the Company 366,184 431,216 =====
 (thousands) 390,266 390,266 ===== Basic earnings per share (HK\$ per share) 0.94 1.10 =====
 ===== DILUTED Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options of dilutive potential ordinary shares. The calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

-57- ----- APPENDIX I FINANCIAL INFORMATION

----- 2005 2004 HK\$'000 HK\$'000 Profit used to determine diluted earnings per share 366,184 431,216 =====
 shares in issue (thousands) 390,266 390,266 Adjustments for - share options (thousands) 26 - -----
 Weighted average number of ordinary shares for diluted earnings per share (thousands) 390,292 390,266 =====
 Diluted earnings per share (HK\$ per share) 0.94 1.10 ===== 26. DIVIDENDS The dividends paid during the years ended 2005 and 2004 were HK\$136,593,000 (HK\$0.35 per share) and HK\$124,885,000 (HK\$0.32 per share) respectively. A dividend in respect of 2005 of HK\$0.27 per share, amounting to a total dividend of HK\$105,372,000 is to be proposed at the Annual General Meeting on 19 May 2006. These financial statements do not reflect this dividend payable. 2005 2004 HK\$'000 HK\$'000 Interim dividend paid of HK\$0.08 (2004: HK\$0.08) per ordinary share 31,221 31,221 Proposed final dividend of HK\$0.27 (2004: HK\$0.27) per ordinary share 105,372 105,372 -----
 136,593 136,593 ===== -58-

----- APPENDIX I FINANCIAL INFORMATION

----- 27. CASH GENERATED FROM OPERATIONS

2005 2004 HK\$'000 HK\$'000 Profit for the year 365,365 431,080 Adjustments for: - Tax (NOTE 22) 51,270 60,536 - Bad debt expenses 2,987 - - Provision for impairment of receivables (written back) made 7,700 17,690 - Depreciation (NOTE 7) 295,117 287,382 - Amortisation of prepaid operating lease payment (NOTE 6) 583 583 - Amortisation of licence (NOTE 8) 161 - - Profit on sale of property, plant and equipment (see below) (99) (169) - Interest income (NOTE 18) (43,606) (21,813) - Finance costs (NOTE 21) - 1 - Share of loss from associates (NOTE 10) 3,872 12,380 Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation): - Unbilled receivable 704 6,357 - Amount paid to tax authority (26,643) (42,535) - Inventories (18) (416) - Trade and other receivables 779 (27,136) - Other payables and accrued expenses (1,204) 47,964 - Deferred revenue (47,251) 7,509 -----
 Cash generated from operations 609,717 779,413 ===== -59-

----- APPENDIX I FINANCIAL INFORMATION

----- In the cash flow statement, proceeds from sale of property, plant and equipment comprise: 2005 2004 HK\$'000 HK\$'000 Net book amount (NOTE 7) 9 88 Profit on sale of property, plant and equipment 99 169 -----
 Proceeds from sale of property, plant and equipment 108 257 ===== 28. CONTINGENCIES 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\$ AMOUNT INR (approximate) (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 -----
 Total 146 million 848 million ===== The Group has filed appeals for each of the assessment years 1997-98 to 2002-03. No assessment has yet been made for the 2003-04 or 2004-05 assessment years. -60-

----- APPENDIX I FINANCIAL INFORMATION -----

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. 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\$	AMOUNT INR (approximate)	(approximate)	1997-98	13 million	78 million		
1998-99	15 million	88 million	1999-00	10 million	62 million	2000-01	9 million	50 million
2001-02	20 million	119 million	2002-03	27 million	148 million	----- Total 94 million 545 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. -61-

APPENDIX I
FINANCIAL INFORMATION

29. MAJOR NON-CASH TRANSACTIONS On 30 November 2004, the Group decreased its equity interest in Skywave TV Company Limited ("Skywave") from 100% to 80% when two independent third parties made a contribution in kind of HK\$3 million each in return for 10% stake in the Skywave. There was no major non-cash transaction during 2005. 30. COMMITMENTS - GROUP CAPITAL COMMITMENTS Capital expenditure at the balance sheet date but not yet incurred is as follows: 2005 2004 HK\$'000 HK\$'000 A satellite earth station Contracted but not provided for - 15,561 Other investment projects Authorised but not contracted for 10,140 5,486 Other assets Contracted but not provided for 5,750 345 ----- 15,890 21,392 ===== 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 years presented are disclosed in note 19. -62-

APPENDIX I FINANCIAL INFORMATION

The future aggregate minimum lease payments under non-cancellable operating leases are as follows: 2005 2004 HK\$'000 HK\$'000 Not later than 1 year 4,376 6,504 Later than 1 year and not later than 5 years 4,773 10,647 Later than 5 years - - ----- 9,149 17,151 =====

OPERATING LEASE COMMITMENTS - WHERE THE GROUP IS THE LESSOR The Group leases its office premises under non-cancellable operating leases. The lease is negotiable for four years. The lease income recognised in the income statements during the year was HK\$552,000 (2004: HK\$368,000). The Group had contracted with the customer for the following future minimum lease payments: 2005 2004 HK\$'000 HK\$'000 Within one year 552 552 One to two years 552 552 Two to three years 184 552 Three to four years - 184 ----- 1,288 1,840 ===== 31. RELATED-PARTY TRANSACTIONS The Group is controlled by Bowenvale Limited (incorporated in British Virgin Islands), which owns 68.9% of the Company's shares. The remaining 31.1% of the shares are widely held. The ultimate parents of the Group are CITIC Group (incorporated in China) and SES GLOBAL S.A. (incorporated in Luxembourg). -63-

APPENDIX I FINANCIAL INFORMATION

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 is a substantial shareholder of the Company throughout the year. During the year, the Group recognised income from provision of satellite transponder capacity from its associate, SpeedCast. 2005 2004 HK\$'000 HK\$'000 CITIC Guoan Information Industry Company Limited 2,461 3,101 SpeedCast Limited (an associate) 32,202 18,793 ----- 34,663 21,894 =====

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. 2005 2004 HK\$'000 HK\$'000 CITIC Technology Company Limited 723 686 ===== -64-

APPENDIX I FINANCIAL INFORMATION

iii) KEY MANAGEMENT COMPENSATION

Information for other management personnel is set out in note 20. The Group made payments to SES GLOBAL and its subsidiary and a subsidiary of CITIC for certain Non-executive Directors representing SES GLOBAL and CITIC. 2005 2004 HK\$'000 HK\$'000 SES GLOBAL and its subsidiary 462 475 A subsidiary of CITIC 500 525 -----

962 1,000 ===== iv) LICENCE FEE 2005 2004 HK\$'000 HK\$'000 SES ASTRA S.A. - 49 =====
 ===== SES ASTRA S.A. is a wholly-owned subsidiary of SES GLOBAL. SES GLOBAL was a substantial
 shareholder of the Company throughout the years presented. v) INTEREST INCOME ON LOAN RECEIVABLE
 FROM AN ASSOCIATE 2005 2004 HK\$'000 HK\$'000 SpeedCast Limited (an associate) 176 419 =====
 ===== -65- ----- APPENDIX I FINANCIAL

INFORMATION ----- vi) YEAR-END BALANCES
 ARISING FROM THESE TRANSACTIONS 2005 2004 HK\$'000 HK\$'000 ----- Trade receivables from
 related parties (NOTE 12): CITIC Guoan Information Industry Company Limited 39 1,248 SpeedCast Limited (an
 associate) 7,639 3,326 ----- 7,678 4,574 ===== Receivables from related parties (NOTE 12):
 CITIC Technology Company Limited 15,503 14,628 ===== Payables to related parties: CITIC
 Technology Company Limited 455 770 ===== vii) LOAN RECEIVABLE FROM AN ASSOCIATE
 2005 2004 HK\$'000 HK\$'000 Loan receivable from SpeedCast Limited: Beginning of the year 5,070 7,279 Loans
 advanced during the year - 1,301 Loan repayments received (5,070) (3,510) ----- End of the year (NOTE 12) -
 5,070 ===== The amount was secured, bearing interest at 6% per annum and was fully repaid as at 31
 December 2005. The above transactions were entered into on commercial terms determined and agreed by the Group
 and the relevant parties. -66- ----- APPENDIX I
 FINANCIAL INFORMATION -----

SUPPLEMENTARY INFORMATION FOR ADR HOLDERS 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 year (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
 year: YEAR ENDED 31 DECEMBER 2005 2005 2004 US\$'000 HK\$'000 HK\$'000 (NOTE 1) Profit for the year (net
 income) as reported under HK GAAP 46,947 366,184 431,216 US GAAP adjustments: Amortisation of interest and
 borrowing costs (A) (1,035) (8,072) (8,072) Amortisation of goodwill (B) - - 221 Tax effect on reconciling items (C)
 90 706 706 ----- Profit for the year (net income) under US GAAP 46,002 358,818 424,071 =====
 ===== Basic earnings per share under US GAAP US\$0.12 HK\$0.92 HK\$1.09 Diluted earnings per
 share under US GAAP US\$0.12 HK\$0.92 HK\$1.09 Basic earnings per American Depositary Share ("ADS") under
 US GAAP (NOTE 2) US\$1.18 HK\$9.19 HK\$10.86 Diluted earnings per American Depositary Share ("ADS") under
 US GAAP (NOTE 2) US\$1.18 HK\$9.19 HK\$10.86 Shares used in computation of basic earnings per share (in
 thousands) 390,266 390,266 390,266 Shares used in computation of diluted earnings per share (in thousands) 390,292
 390,292 390,266 -67- ----- APPENDIX I FINANCIAL
 INFORMATION -----

The following table summarises
 the effect on shareholders' equity of the differences between HK GAAP and US GAAP: AS AT 31 DECEMBER 2005
 2005 2004 US\$'000 HK\$'000 HK\$'000 (NOTE 1) Shareholders' equity as reported under HK GAAP 526,178
 4,104,188 3,874,597 US GAAP adjustments: Capitalisation of interest and borrowing costs (A) 15,767 122,980
 122,980 Amortisation of interest and borrowing costs (A) (10,336) (80,617) (72,545) Amortisation of goodwill (B)
 1,452 11,325 11,325 Impairment loss of goodwill (B) (1,424) (11,104) (11,104) Tax effect of reconciling items (C)
 (1,004) (7,831) (8,537) ----- Shareholders' equity under US GAAP 530,633 4,138,941 3,916,716
 ===== -68- -----

APPENDIX I FINANCIAL INFORMATION ----- (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. (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 statements 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 statements 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 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 31 December 2005. 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. -69- ----- APPENDIX I

FINANCIAL INFORMATION ----- 3.

INDEBTEDNESS As at the close of business on 14 June 2006, being the Latest Practicable Date for ascertaining information regarding this indebtedness statement prior to the printing of this circular, the Group had no outstanding borrowings. Apart from intra-group liabilities and normal trade payables, the Group did not have outstanding at the close of business on 14 June 2006 any debt securities issued and outstanding or agreed to be issued, mortgages, charges, debentures or other loan capital or bank overdrafts, loans or other similar indebtedness, or finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities. Since 14 June 2006, there has been no material change in the amount of indebtedness of the Group. For the purpose of this indebtedness statement, foreign currency amounts have been translated into Hong Kong dollars at the approximate rates of exchange in effect at the close of business on the Latest Practicable Date. Details of the contingent liabilities of the Group as at 31 December 2005 are set out in Note 28 to the Company's audited consolidated financial statements for the year ended 31 December 2005 on pages 60 and 61 of this circular. Subsequently the Group received an assessment from the Indian Tax Authority for the assessment year 2003/04 amounting to HK\$43 million, which increases the contingent liabilities of the Group from HK\$146 million to HK\$189 million. Save as disclosed, the Directors are not aware any material change in the contingent liabilities at the date of this circular. In addition to the above, as at the Latest Practicable Date, the Group had no outstanding claims in respect of pending litigation as defined in the paragraph headed "Litigation" of Appendix III to this circular. 4. WORKING CAPITAL In the absence of unforeseen circumstances and taking into account the Group's available funds on hand, the Directors are of the opinion that the Group has sufficient working capital for its present requirements for at least 12 months from the date of publication of this circular. -70-

----- APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION ----- 1. UNAUDITED PRO FORMA STATEMENT OF THE ASSETS AND LIABILITIES OF THE GROUP

The following is the unaudited pro forma statement of the assets and liabilities of the Group prepared to illustrate the effect of the acquisition of AsiaSat 5 on the assets and liabilities of the Group as if the acquisition had been completed on 31 December 2005. The unaudited pro forma statement of the assets and liabilities of the Group was prepared based on the Group's unadjusted statement of assets and liabilities as at 31 December 2005 extracted from the audited consolidated balance sheet of the Group as at 31 December 2005, as set out in the Annual Report of the Group, after making pro forma adjustments as set out in note 2 below. This unaudited pro forma statement of the assets and liabilities of the Group has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group as at 31 December 2005 or at any future date.

UNADJUSTED STATEMENT OF ASSETS AND PRO FORMA LIABILITIES OF UNAUDITED THE GROUP STATEMENT OF AS AT PRO FORMA ASSETS AND 31 DECEMBER 2005 ADJUSTMENT LIABILITIES

HK\$'000	HK\$'000	HK\$'000	(NOTE 1)	(NOTE 2)	ASSETS	NON-CURRENT ASSETS	Property, plant and equipment
2,620,911	1,404,000	4,024,911			Leasehold land and land use rights	24,199	- 24,199
					Intangible assets	1,339	- 1,339
					Unbilled receivable	174,563	- 174,563
					Interests in associates	14,294	- 14,294
					Amount paid to tax authority	93,666	- 93,666
						2,928,972	1,404,000 4,332,972 ----- -71-

----- APPENDIX II UNAUDITED PRO FORMA	
FINANCIAL INFORMATION -----	UNADJUSTED
STATEMENT OF ASSETS AND PRO FORMA LIABILITIES OF UNAUDITED THE GROUP STATEMENT OF	
AS AT PRO FORMA ASSETS AND 31 DECEMBER 2005 ADJUSTMENT LIABILITIES HK\$'000 HK\$'000	
HK\$'000 (NOTE 1) (NOTE 2) CURRENT ASSETS Inventories 434 - 434 Trade and other receivables 118,598 -	
118,598 Other loan receivable - - Cash and cash equivalents 1,635,526 (1,404,000) 231,526 -----	
1,754,558 (1,404,000) 350,558 -----	CURRENT LIABILITIES Construction payables 3,096 -
	3,096 Other payables and accrued expenses 64,118 - 64,118 Deferred revenue 151,982 - 151,982 Current income tax
	liabilities 74,180 - 74,180 Dividend payable 121 - 121 ----- 293,497 - 293,497 -----
----- NET CURRENT ASSETS 1,461,061 (1,404,000) 57,061 -----	TOTAL ASSETS LESS
CURRENT LIABILITIES 4,390,033 - 4,390,033 -----	NON-CURRENT LIABILITIES Deferred
	income tax liabilities 192,654 - 192,654 Deferred revenue 87,654 - 87,654 ----- 280,308 - 280,308
-----	-----
----- NET ASSETS 4,109,725 - 4,109,725 =====	===== -72-

----- APPENDIX II UNAUDITED PRO FORMA
 FINANCIAL INFORMATION ----- Notes to the
 unaudited pro forma statement of the assets and liabilities: 1. The unadjusted statement of assets and liabilities of the
 Group are extracted from the audited consolidated balance sheet of the Group as at 31 December 2005. 2. The
 adjustment represents the estimated aggregate cash consideration of HK\$1,404 million for the commissioning of
 AsiaSat 5, including the contract price under the Launch Contract and the Construction Agreement plus other costs
 directly attributable to the commissioning of AsiaSat 5. 3. For the purpose of the pro forma statement of the assets and
 liabilities, the balances stated in United States dollars ("US\$") have been translated to Hong Kong dollars ("HK\$") at
 an exchange rate of US\$1 = HK\$7.8. 4. No adjustment has been made to reflect any operating results or other events
 subsequent to 31 December 2005. Also, no adjustment has been made to reflect any future capital expenditure. -73-

----- APPENDIX II UNAUDITED PRO FORMA
 FINANCIAL INFORMATION ----- 2. LETTER ON
 UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP The following is the text of a letter,
 received from the auditors of the Company, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, in
 respect of the unaudited pro forma financial information for the purpose of its incorporation in this circular.
 [GRAPHIC OMITTED] [LOGO -- PRICEWATERHOUSECOOPERS]

----- [CHINESE CHARACTERS] |
 PricewaterhouseCoopers | 22/F. Prince's Building | Central, Hong Kong The Directors Asia Satellite
 Telecommunications Holdings Limited 20 June 2006 Dear Sirs, We report on the unaudited pro forma financial
 information of Asia Satellite Telecommunications Holdings Limited (the "Company") and its subsidiaries (hereinafter
 collectively referred to as the "Group") set out on pages 71 to 73 under the heading of "Unaudited Pro Forma
 Financial Information" (the "unaudited pro forma financial information") in Appendix II of the Company's circular
 dated 20 June 2006, in connection with the commissioning of AsiaSat 5 by the Company (the "Circular"). The
 unaudited pro forma financial information has been prepared by the Directors of the Company, for illustrative
 purposes only, to provide information about how the commissioning of AsiaSat 5 might have affected the relevant
 financial information of the Group. The basis of preparation of the unaudited pro forma financial information is set out
 on pages 71 to 73 of the Circular. RESPECTIVE RESPONSIBILITIES OF DIRECTORS OF THE COMPANY AND
 AUDITORS It is the responsibility solely of the Directors of the Company to prepare the unaudited pro forma
 financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The
 Stock Exchange of Hong Kong Limited (the "Listing Rules") and Accounting Guideline 7 "Preparation of Pro Forma
 Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public
 Accountants (the "HKICPA"). -74- ----- APPENDIX II
 UNAUDITED PRO FORMA FINANCIAL INFORMATION

----- It is our responsibility to form an opinion, as
 required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our
 opinion to you. We do not accept any responsibility for any reports previously given by us on any financial
 information used in the compilation of the unaudited pro forma financial information beyond that owed to those to
 whom those reports were addressed by us at the dates of their issue. BASIS OF OPINION We conducted our

engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the Group's unadjusted statement of assets and liabilities as at 31 December 2005 with the audited consolidated balance sheet of the Group as at 31 December 2005, considering the evidence supporting the adjustments and discussing the unaudited pro forma financial information with the Directors of the Company. We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the unaudited pro forma financial information has been properly compiled by the Directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules. The unaudited pro forma financial information is for illustrative purposes only, based on the judgements and assumptions of the Directors of the Company, and because of its hypothetical nature, it does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 31 December 2005 or any future date. -75- ----- APPENDIX II UNAUDITED

PRO FORMA FINANCIAL INFORMATION -----

OPINION In our opinion: (a) the unaudited pro forma financial information has been properly compiled by the Directors of the Company on the basis stated; (b) such basis is consistent with the accounting policies of the Group; and (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules. Yours faithfully, PRICEWATERHOUSECOOPERS CERTIFIED PUBLIC ACCOUNTANTS Hong Kong -76- -----

APPENDIX III GENERAL INFORMATION -----

1. RESPONSIBILITY STATEMENT This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading. 2. DISCLOSURE OF INTERESTS (a) INTEREST OF DIRECTORS AND CHIEF EXECUTIVES IN SECURITIES Save as disclosed below, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have taken under such provisions of the SFO), or (b) were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange. (i) SHARES IN THE COMPANY NUMBER OF LONG OR ORDINARY SHARES PERCENTAGE OF NAME OF DIRECTOR CAPACITY SHORT POSITION IN THE COMPANY ISSUED CAPITAL Peter JACKSON Beneficial owner Long position 163,500 0.042% William WADE Beneficial owner Long position 5,000 0.001% -77- -----

APPENDIX III GENERAL INFORMATION -----

(ii) SHARE OPTIONS IN THE COMPANY NUMBER OF OPTIONS ----- EXERCISED/ CANCELLED/ HELD AT GRANTED LAPSED HELD AT PERCENTAGE 1 JAN DURING DURING 31 DEC OF ISSUED EXERCISE EXERCISABLE EXERCISABLE DIRECTORS 2005 THE YEAR THE YEAR 2005 CAPITAL PRICE GRANT DATE FROM UNTIL HK\$ Romain BAUSCH 100,000 - - 100,000 0.026% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 Edward CHEN 50,000 - - 50,000 0.013% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 DING Yu Cheng 50,000 - - 50,000 0.013% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 R Donald FULLERTON 75,000 - - 75,000 0.019% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 JU Wei Min 50,000 - - 50,000 0.013% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 MI Zeng Xin 100,000 - - 100,000 0.026% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 Robert SZE 75,000 - - 75,000 0.019% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 LI Tong Zhou 50,000 - (50,000) - Nil 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 Jurgen SCHULTE 50,000 - (50,000) - Nil 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 Peter JACKSON 335,000 - - 335,000 17.48 4 Feb 2002 4 Feb 2002 25 Nov 2006 150,000 - - 150,000 17.48 4 Feb 2002 1 Oct 2002 30 Sep 2009 430,000 - - 430,000 0.234% 14.35 4 Feb 2002 4 Feb

2004 3 Feb 2012 William WADE 316,000 - - 316,000 17.48 4 Feb 2002 4 Feb 2002 25 Nov 2006 114,000 - - 114,000
17.48 4 Feb 2002 1 Oct 2002 30 Sep 2009 330,000 - - 330,000 0.195% 14.35 4 Feb 2002 4 Feb 2004 3 Feb 2012 -78-

----- APPENDIX III GENERAL INFORMATION

----- (b) SUBSTANTIAL SHAREHOLDERS Save as disclosed below, so far as was known to any Director or chief executive of the Company, no person (other than a Director or chief executive of the Company or their respective associates), as at the Latest Practicable Date, had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO. SHARES IN THE COMPANY
PERCENTAGE NUMBER OF LONG OR OF ISSUED NAME ORDINARY SHARES SHORT POSITION SHARE
CAPITAL Bowenvale Limited 268,905,000 Long position 68.90% Able Star Associates Limited (1) 268,905,000
Long position 68.90% CITIC Group (1) 268,905,000 Long position 68.90% SES GLOBAL Holding AG (2)
268,905,000 Long position 68.90% SES GLOBAL S.A.(2) 268,905,000 Long position 68.90% Aberdeen Asset
Management Asia Limited 21,188,000 Long position 5.43% NOTES: (1) Able Star Associates Limited ("Able Star")
controls 50% of the voting rights of Bowenvale Limited ("Bowenvale"). Able Star is wholly owned by CITIC Asia
Limited ("CITIC Asia"), which in turn is wholly owned by CITIC Projects Management (HK) Limited ("CITIC
Projects"), which is a wholly owned subsidiary of CITIC Group ("CITIC"). Accordingly, Able Star, CITIC Asia,
CITIC Projects and CITIC are deemed to be interested in the 268,905,000 shares in the Company held by Bowenvale.
(2) SES GLOBAL Holding AG ("SES GLOBAL Holding") controls 50% of the voting rights of Bowenvale. SES
GLOBAL Holding is wholly owned by SES GLOBAL ASIA S.A., which in turn is a wholly owned subsidiary of SES
GLOBAL S.A. ("SES GLOBAL"). Accordingly, SES GLOBAL Holding, SES GLOBAL ASIA S.A. and SES
GLOBAL are deemed to be interested in the 268,905,000 shares in the Company by Bowenvale. As at the Latest
Practicable Date, save as disclosed above, none of the Directors was a director or employee of a company which had
an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to
the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO. -79-

----- APPENDIX III GENERAL INFORMATION

----- SHARES IN OTHER MEMBERS OF THE

GROUP As at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, no person (other than a Director or chief executive of the Company or their respective associates) was, directly or indirectly, interested in ten per cent or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group. (c) DIRECTORS' INTERESTS IN
COMPETING BUSINESSES Romain BAUSCH, Robert BEDNAREK, Mark RIGOLLE and Cynthia DICKINS are senior executives of SES GLOBAL S.A. ("SES"), a substantial shareholder of the Company. SES is the world's leading satellite group. SES comprises of a network of satellite operators located across all continents. SES competes and is likely to compete either directly or indirectly with the business of the Company as they provide transponder capacity to certain Asia Pacific countries and areas that are also served by the Company. MI Zeng Xin and JU Wei Min are senior executives of CITIC, a substantial shareholder of the Company. CITIC has a substantial interest in Sino Satellite Communications Company Limited ("SINOSAT"). It is a state owned telecommunications satellite operator with its headquarters stationed in Beijing, China. SINOSAT competes and is likely to compete either directly or indirectly with the business of the Company as they provide transponder capacity to certain Asia Pacific countries and areas particularly in China that are also served by the Company. (d) SERVICE CONTRACTS There is no existing or proposed service contracts between any of the Directors and any member of the Group, other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation). (e) SAVE AS DISCLOSED IN THIS CIRCULAR: (i) none of the Directors has had any direct or indirect interest in any assets which have since 31 December 2005 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group; and (ii) no Director is materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group. -80-

----- APPENDIX III GENERAL INFORMATION

----- 3. MATERIAL ADVERSE CHANGE The Directors confirm that, as at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2005, being the date to which the

latest published audited accounts of the Company were made up. 4. LITIGATION As at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in any litigation or claim of material importance and the Directors are not aware of any litigation or claim of material importance pending or threatened against the Company or any of its subsidiaries. 5. MATERIAL CONTRACTS The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of this circular and are or may be material:- (a) the Construction Agreement dated 28 April 2006 entered into by AsiaSat and the Construction Contractor for the construction of AsiaSat 5, details of which are set out in the section headed "Letter from the Board" of this circular; and (b) the Launch Contract dated 8 May 2006 entered into between AsiaSat and the Launch Contractor for the launch of AsiaSat 5, details of which are set out in the section headed "Letter from the Board" of this circular. 6. EXPERTS AND CONSENT (a) The qualifications of the expert who has given its report contained in this circular are set out as follows: NAME QUALIFICATION PricewaterhouseCoopers Certified Public Accountants (b) PricewaterhouseCoopers has confirmed that it has no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group. -81- -----

APPENDIX III GENERAL INFORMATION ----- (c) PricewaterhouseCoopers has confirmed that it does not have any interest, direct or indirect, in any assets which have been acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2005, being the date to which the latest published audited accounts of the Company were made up. (d) PricewaterhouseCoopers has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears. 7. DOCUMENTS AVAILABLE FOR INSPECTION Copies of the following documents will be available for inspection of the offices at 17th Floor, The Lee Gardens, 33 Hysan Avenue, Causeway Bay, Hong Kong during normal business hours up to and including 4 July 2006: (a) the Bye-laws of the Company; (b) the audited consolidated financial statements of the Company and its subsidiaries for the two financial years ended 31 December 2004 and 2005; (c) the letter from PricewaterhouseCoopers on the unaudited pro forma financial information set out in Appendix II to this circular, (d) each of the material contracts referred to in the paragraph headed "Material Contracts" of this Appendix; and (e) this circular. 8. MISCELLANEOUS (a) The company secretary, and the qualified accountant, of the Company is Denis Lau, who is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and the Hong Kong Institute of Certified Public Accountants. He is also an associate member of the Institute of Chartered Secretaries and Administrators in the United Kingdom. (b) The registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda. -82- -----

APPENDIX III GENERAL INFORMATION ----- (c) The head office of the Company is 17th Floor, The Lee Gardens, 33 Hysan Avenue, Causeway Bay, Hong Kong. (d) The principal share registrars of the Company are Butterfield Fund Services (Bermuda) Limited, whose registered office is at Rosebank Centre, 11 Bermudiana Road, Hamilton, Bermuda and the Hong Kong branch registrars and transfer office of the Company are Computershare Hong Kong Investor Services Limited, whose registered office is at Hopewell Centre, 46th Floor, 183 Queen's Road East, Wanchai, Hong Kong. (e) The English text of this circular shall prevail over the Chinese text. -83-