ASIAN PAY TELEVISION TRUST

SGX QUARTERLY REPORT
FOR THE QUARTER ENDED 31 MARCH 2014



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REPORT SUMMARY

REPORT SUMMARY

KEY HIGHLIGHTS

- Revenue for the quarter of S$77.2 million
- Asset EBITDA[1] for the quarter of S$49.8 million
- Re-affirm distribution guidance of 8.25 cents per unit for the twelve months ending 31 December 2014

APTT[2] reported total revenue of S$77.2 million and Asset EBITDA of S$49.8 million for the quarter ended 31 March 2014. APTT is well placed to achieve forecast revenue of S$323.8 million and Asset EBITDA of S$210.8 million for the twelve months ending 31 December 2014 as outlined in the Prospectus[3].

The key financial highlights are set out below:

	Quarter ended 31 March 2014	Prospectus forecast for twelve months ending 31 December 2014
	S$'000	S$'000
Revenue		
Basic cable TV	61,553	251,185
Premium digital cable TV	3,404	16,166
Broadband	12,247	56,402
Total revenue	**77,204**	**323,753**
Operating expenses	(27,433)	(112,935)
Asset EBITDA	**49,771**	**210,818**
Asset EBITDA margin	64.5%	65.1%
EBITDA	**49,962**	**201,861**

[1] Asset EBITDA represents EBITDA of Taiwan Broadband Communications Group (TBC) only and does not include expenses attributable to the Trust and offshore entities.

[2] APTT refers to APTT and its subsidiaries taken as a whole.

[3] Prospectus refers to the APTT Prospectus dated 16 May 2013.

NETWORK EXPANSION

The expanded core network now covers in excess of 30% of homes in the new coverage areas in Taichung. As a result, the National Communications Commission (NCC) completed its inspection of the work completed to date and granted its approval in March 2014; it is therefore expected that the NCC will issue the temporary operating license during the second quarter of 2014 once it completes its administrative procedures. The work completed to date is in line with the network expansion plan. Commercial operations in the new areas are expected to start as early as the beginning of the second half of 2014.

Capital expenditures related to the expansion amounted to S$3.1 million for the first quarter of 2014, bringing total expenditures to date to approximately S$13 million. An additional amount of between S$37 million and S$47 million is expected to be incurred during the remainder of 2014, and between S$20 million and S$30 million during 2015 and 2016. All such capital expenditures will be funded from the existing borrowing facilities.

Distributions in 2014 and 2015 will not be negatively impacted by the network expansion, with potential for it to have a positive impact as early as 2015.

OUTLOOK FOR 2014

Total revenue, operating expenses and cash flow generation for 2014 are expected to be in line with the forecasts outlined in the Prospectus.

The digital set-top box penetration at the end of the quarter was 42%, and remains on track to reach the target of 70% by the end of 2014. This is expected to accelerate future Premium digital cable TV revenue and maintain APTT's digital penetration position ahead of government targets.

Capital expenditures as a percentage of total revenue were 11.5% (excluding the network expansion capital expenditures). This is expected to increase to 16.0% by the end of the year primarily driven by the accelerated set-top box roll-out program.

In relation to the outstanding tax dispute, the applicable settlement principles with the key tax agencies have been agreed and the amended tax assessments are now being progressed. The settlement remains consistent with what was outlined in the Prospectus.

Focus remains on driving growth in cash flows through up-selling and cross-selling of services across the subscriber base, driving non-subscriber revenue and progressing the network expansion.

DISTRIBUTIONS

Distributions are declared on a semi-annual basis with the next distribution expected to be declared with respect to the six months ending 30 June 2014. The Board has re-affirmed distribution guidance of 8.25 cents per unit for the twelve months ending 31 December 2014, which is expected to be declared as 4.12 cents per unit for the six months ending 30 June 2014 and as 4.13 cents per unit for the six months ending 31 December 2014.

PERFORMANCE REVIEW OF ASIAN PAY TELEVISION TRUST

INTRODUCTION

ABOUT APTT

Asian Pay Television Trust (APTT or the Trust) is a business trust constituted on 30 April 2013 under the laws of the Republic of Singapore, registered under Chapter 31A of the Business Trusts Act (BTA). APTT is managed by Macquarie APTT Management Pte. Limited (the Trustee-Manager), a wholly owned subsidiary of Macquarie Capital Group Limited.

APTT's Prospectus was registered with the Monetary Authority of Singapore (MAS) on 16 May 2013 in connection with the proposed listing of the units in APTT. The Trust was admitted to the main Board of the Singapore Exchange Securities Trading Limited (SGX-ST) and was listed on the SGX-ST on 29 May 2013. APTT is the first listed business trust in Asia focused on pay-TV businesses. APTT has approximately 8,300 Unitholders, including retail investors and some of the world's foremost institutional investors.

APTT's investment mandate is to acquire controlling interests and to own, operate and maintain mature, cash generative pay-TV and broadband businesses in Taiwan, Hong Kong, Japan and Singapore.

SEED ASSET

As at 31 March 2014, APTT's portfolio is comprised of its seed asset, Taiwan Broadband Communications Group (TBC). TBC is a leading, integrated cable operator in Taiwan that generates stable cash flows and has an attractive growth profile. TBC is a licensed provider of cable TV services in closely clustered franchise areas in Taiwan. TBC offers Basic cable TV, Premium digital cable TV and Broadband services to households and businesses in these areas.

DISTRIBUTION POLICY

Distributions will be declared and paid in Singapore dollars. Any proposed distributions by the Trust will be paid from its residual cash flows (distributable free cash flows), which consist of cash flows from dividends and principal and interest payments (net of applicable taxes and expenses) received by the Trust from the entities held within the Group, and any other cash received by the Trust from the entities held within the Group, after such cash flows and cash have been applied to pay the operating expenses of the Trust, including the Trustee-Manager's fees, repay principal amounts (including any premium or fee) under any debt or financing arrangement of the Trust, pay interest or any other financing expense on any debt or financing arrangement of the Trust, provide for the cash flow needs of the Trust or to ensure that the Trust has sufficient funds and/or financing resources to meet the short-term liquidity needs of the Trust and provide for the cash needs of the Trust for capital expenditure purposes.

The Trust intends to distribute 100% of its distributable free cash flows.

Distributions are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six month period ending on each of the said dates. The Trustee-Manager will pay the distributions no later than 100 days after the end of each distribution period.

DISTRIBUTIONS

The final ordinary distribution of 4.13 cents per unit in respect of the six months ended 31 December 2013 was paid on 28 March 2014. The Board of the Trustee-Manager (the Board) has not declared a distribution for the quarter ended 31 March 2014 as distributions will be made on a semi-annual basis with the amount calculated as at 30 June and 31 December.

The Board has re-affirmed distribution guidance of 8.25 cents per unit for the twelve months ending 31 December 2014, which is expected to be declared as 4.12 cents per unit for the six months ending 30 June 2014 and as 4.13 cents per unit for the six months ending 31 December 2014.

Historical distributions

The table below provides details of APTT's historical distributions:

Six month period ended	Cents per unit
30 June 2013	4.80
31 December 2013	4.13

TAXATION

Taxation of the Trust

The Trust is a business trust registered with the MAS under the BTA. The Trust is liable to Singapore income tax on income accruing in or derived from Singapore (i.e. Singapore sourced income) and unless otherwise exempt, income derived from outside Singapore which is received or deemed to have been received in Singapore (i.e. foreign sourced income). Foreign sourced dividends received by the Trust would only be subject to Singapore income tax when received in Singapore or deemed received in Singapore, subject to certain exemptions. Subject to meeting certain stipulated conditions and reporting obligations, the Trust has obtained an exemption under Section 13(12) of the Income Tax Act, Chapter 134 of Singapore (Income Tax Act) on dividend income received by the Trust from the Bermuda holding companies after its listing on the SGX-ST. Specifically, the Trust will be exempt from tax on dividends from the Bermuda holding companies that originate from dividends and interest paid out of underlying profits from substantive cable broadband business activities carried out in Taiwan.

Taxation of the Unitholders

Pursuant to Section 13(1)(zg) of the Income Tax Act, distributions by the Trust are tax-exempt and are therefore not subject to Singapore income tax in the hands of the Unitholders. The distributions are also not subject to Singapore withholding tax. The tax exemption is given to all Unitholders, regardless of their nationality, corporate identity or tax residence status. Unitholders are not entitled to tax credits for any taxes paid by the Trustee-Manager.

SELECTED FINANCIAL INFORMATION AND OPERATING DATA

The selected financial information and operating data presented on page 8 supports the distributions to Unitholders and therefore are key financial and operating metrics that the Trustee-Manager focuses on to review the amount of distributions that will be paid to Unitholders. Some of the selected financial information includes non-IFRS measures.

Non-IFRS measures

Asset EBITDA and Asset EBITDA margin are supplemental financial measures of the Trust's performance and liquidity and are not required by, or presented in accordance with International Financial Reporting Standards (IFRS) or any other generally accepted accounting principles. Furthermore, Asset EBITDA and Asset EBITDA margin are not measures of financial performance or liquidity under IFRS or any other generally accepted accounting principles and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with IFRS or any other generally accepted accounting principles. Asset EBITDA and Asset EBITDA margin may not reflect all of the financial and operating results and requirements of the Trust. In particular, Asset EBITDA and Asset EBITDA margin do not reflect the Trust's needs for capital expenditures, debt servicing or additional capital that may be required to replace assets that are fully depreciated or amortised. Other companies may calculate Asset EBITDA and Asset EBITDA margin differently, limiting their usefulness as comparative measures.

The Trustee-Manager believes that these supplemental financial measures facilitate operating performance comparisons for the Trust from period to period by eliminating potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods of changes in effective tax rates or net operating losses), the age and book depreciation of tangible assets (affecting relative depreciation expense). In particular, Asset EBITDA eliminates the non-cash depreciation expense that arises from the capital-intensive nature of the Trust's businesses and intangible assets recognised in business combinations. The Trustee-Manager presents these supplemental financial measures because it believes these measures are frequently used by securities analysts and investors in evaluating similar issuers.

SELECTED FINANCIAL INFORMATION AND OPERATING DATA

	Group[1,2] Quarter ended 31 March 2014 $'000
Revenue	
Basic cable TV	61,553
Premium digital cable TV	3,404
Broadband	12,247
Total revenue	**77,204**
Operating expenses[3]	
Broadcast and production costs	(14,718)
Staff costs[4]	(6,376)
Other operating expenses[5]	(6,339)
Total operating expenses	**(27,433)**
Asset EBITDA	**49,771**
Asset EBITDA margin	64.5%
EBITDA	**49,962**
Capital expenditures (excluding network expansion)	**8,872**
As a % of revenue	11.5%
Capital expenditures - network expansion	**3,132**

Subscribers ('000)	**As at 31 March 2014**
Basic cable TV	756
Premium digital cable TV	126
Broadband	181

	Three months ended
ARPU[6](NT$ per month)	**31 March 2014**
Basic cable TV	538
Premium digital cable TV	200
Broadband	527

1 Group refers to APTT and its subsidiaries taken as a whole.

2 No comparative selected financial information and operating data has been presented as APTT was constituted on 30 April 2013. The first financial period was from 30 April 2013 to 31 December 2013. APTT was listed on SGX-ST on 29 May 2013.

3 Operating expenses presented here exclude 'Trustee-Manager fees' and 'Depreciation and amortisation expense', appearing in the consolidated statements of profit or loss on page 12, in order to arrive at Asset EBITDA and Asset EBITDA margin.

4 Staff costs exclude costs attributable to offshore entities within the Group.

5 Other operating expenses exclude expenses attributable to the Trust and offshore entities within the Group composed mainly of administrative expenses, corporate services fees, audit fees, annual filing fees, occupancy fees, legal costs, other professional fees, insurance and other miscellaneous expenses.

6 Average Revenue Per User (ARPU) is calculated by dividing the subscription revenue for Basic cable TV, Premium digital cable TV or Broadband, as applicable, by the average number of revenue generating units (RGUs, or Subscribers) for that service during the period.

REVIEW OF SELECTED FINANCIAL INFORMATION AND OPERATING DATA

Total revenue for the quarter ended 31 March 2014 of $77.2 million comprises: Basic cable TV revenue of $61.6 million, Premium digital cable TV revenue of $3.4 million and Broadband revenue of $12.2 million.

Revenue from Basic cable TV and Premium digital cable TV were in line with expectations. Revenue from Broadband continues to trail expectations due to the soft economic environment in Taiwan. Basic cable TV non-subscription revenue, which includes revenue from channel leasing and advertising, was greater than expectations. Basic cable TV non-subscription revenue is approximately 17.0% of total Basic cable TV revenue. Total revenue is on track to meet the full year forecast of $323.8 million.

Total operating expenses for the quarter ended 31 March 2014 of $27.4 million comprise: Broadcast and production costs of $14.7 million, Staff costs of $6.4 million and Other operating expenses of $6.3 million. Total operating expenses for the quarter ended 31 March 2014 were in line with expectations.

Asset EBITDA and Asset EBITDA margin were $49.8 million and 64.5%, respectively, for the quarter ended 31 March 2014. EBITDA for the quarter ended 31 March 2014 was $50.0 million and is on track to meet the full year forecast of $201.9 million.

Basic cable TV subscribers of 756 thousand at 31 March 2014 were higher than at 31 December 2013 but increased less than expectations. Premium digital cable TV subscribers of 126 thousand at 31 March 2014 were higher than at 31 December 2013 and increased in line with expectations. Broadband subscribers of 181 thousand at 31 March 2014 were higher than at 31 December 2013 but increased less than expectations.

Basic cable TV ARPU was in line with expectations. Premium digital cable TV ARPU and Broadband ARPU were lower than the forecast in the Prospectus but were consistent with the 2014 outlook provided with the 2013 year-end results. Premium digital cable TV ARPU is forecast to be lower than the Prospectus as the focus remains on winning subscribers. The soft economic environment in Taiwan has resulted in some subscribers choosing to subscribe for lower cost Broadband packages. Management is focused on stabilising ARPU going forward.

Capital expenditures, excluding the network expansion, as a percentage of revenue for the quarter ended 31 March 2014 were 11.5%. Capital expenditures as a percentage of total revenue, excluding the network expansion, is expected to be 16.0% by the end of the year, consistent with the 2014 outlook provided with the 2013 year-end results.

ASIAN PAY TELEVISION TRUST

FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2014

STATEMENTS OF FINANCIAL POSITION

Financial statements of the Trust include the results and balances of the parent only, i.e. APTT. Financial statements of the Group include balances from all entities that are controlled by APTT. The material additional balances are in respect of TBC.

	Note[2]	Group as at 31 March 2014 $'000	Group[1] as at 31 December 2013 $'000	Trust as at 31 March 2014 $'000	Trust[1] as at 31 December 2013 $'000
Assets					
Current assets					
Cash and cash equivalents	C(i)	54,483	96,228	4,112	4,759
Trade and other receivables	C(ii)	14,806	11,483	2,028	1,511
Derivative financial instruments	C(vii)	1,361	39	1,361	39
Other assets	C(viii)	1,936	1,184	476	354
		72,586	**108,934**	**7,977**	**6,663**
Non-current assets					
Investment in subsidiaries	C(iii)	-	-	1,342,351	1,342,351
Property, plant and equipment	C(iv)	146,905	149,512	-	-
Intangible assets	C(v)	2,184,517	2,238,188	-	-
Income tax refund receivable	C(vi)	3,108	8,299	-	-
Derivative financial instruments	C(vii)	679	48	679	48
Other assets	C(viii)	806	663	-	-
		2,336,015	**2,396,710**	**1,343,030**	**1,342,399**
Total assets		**2,408,601**	**2,505,644**	**1,351,007**	**1,349,062**
Liabilities					
Current liabilities					
Borrowings from financial institutions	D(i)	8,271	6,120	-	-
Retirement benefit obligations	D(iv)	347	353	-	-
Derivative financial instruments	D(ii)	-	671	-	671
Trade and other payables	D(iii)	16,835	19,116	7,392	7,712
Income tax payable	D(v)	138,048	138,721	-	-
Other liabilities	D(vii)	50,750	52,056	592	412
		214,251	**217,037**	**7,984**	**8,795**
Non-current liabilities					
Borrowings from financial institutions	D(i)	919,238	943,148	-	-
Retirement benefit obligations	D(iv)	10,290	10,439	-	-
Derivative financial instruments	D(ii)	40	426	-	176
Deferred tax liabilities	D(vi)	4,772	6,351	-	-
Other liabilities	D(vii)	6,847	7,185	-	-
		941,187	**967,549**	**-**	**176**
Total liabilities		**1,155,438**	**1,184,586**	**7,984**	**8,971**
Net assets		**1,253,163**	**1,321,058**	**1,343,023**	**1,340,091**
Equity					
Unitholders' funds		1,342,851	1,342,851	1,342,851	1,342,851
Reserves	D(viii)	(22,608)	(292)	-	-
Accumulated deficit		(69,440)	(23,827)	172	(2,760)
		1,250,803	**1,318,732**	**1,343,023**	**1,340,091**
Non-controlling interests	D(ix)	2,360	2,326	-	-
Total equity		**1,253,163**	**1,321,058**	**1,343,023**	**1,340,091**

[1] The financial period was from 30 April to 31 December 2013. APTT Was listed on the SGX-ST on 29 May 2013.

[2] Notes to the consolidated statements of financial position can be found on pages 22 to 27.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note[2]	Group[1] Quarter ended 31 March 2014 $'000
Revenue		
Basic cable TV	A(i)	61,553
Premium digital cable TV	A(ii)	3,404
Broadband	A(iii)	12,247
Total revenue		**77,204**
Operating expenses		
Broadcast and production costs	B(i)	(14,718)
Staff costs	B(ii)	(6,492)
Depreciation and amortisation expense	B(iii)	(11,031)
Trustee-Manager fees	B(iv)	(1,767)
Other operating expenses	B(v)	(8,539)
Total operating expenses		**(42,547)**
Operating profit		**34,657**
Interest and other finance costs	B(vi)	(10,196)
Profit before income tax		**24,461**
Income tax expense	B(vii)	(6,497)
Profit after income tax		**17,964**
Profit after income tax attributable to:		
Unitholders of APTT		17,886
Non-controlling interests		78
Profit after income tax		**17,964**
Basic and diluted earnings per unit attributable to Unitholders of APTT		**1.24 cents**

[1] No comparative consolidated statement of profit or loss has been presented as APTT was constituted on 30 April 2013. The first financial period was from 30 April 2013 to 31 December 2013. APTT was listed on SGX-ST on 29 May 2013.

[2] Notes to the consolidated statement of profit or loss can be found on pages 19 to 21.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group[1] Quarter ended 31 March 2014 $'000
Profit after income tax	**17,964**
Other comprehensive income, net of tax	
Items that may subsequently be reclassified to profit or loss:	
Exchange differences on translation of foreign operations	(26,679)
Unrealised gain on change in fair value of cash flow hedging financial instruments	204
Other comprehensive income for the period, net of tax	**(26,475)**
Total comprehensive income	**(8,511)**
Total comprehensive income attributable to:	
Unitholders of APTT	(8,589)
Non-controlling interests	78
Total comprehensive income	**(8,511)**

[1] No comparative consolidated statement of profit or loss and other comprehensive income has been presented as APTT was constituted on 30 April 2013. The first financial period was from 30 April 2013 to 31 December 2013. APTT was listed on SGX-ST on 29 May 2013.

STATEMENTS OF CHANGES IN EQUITY

Group	Unitholders' funds	Reserves	Accumulated deficit	Total attributable to Unitholders of APTT	Non-controlling interests	Total[1] equity
	$'000	$'000	$'000	$'000	$'000	$'000
Balance as at 1 January 2014	**1,342,851**	**(292)**	**(23,827)**	**1,318,732**	**2,326**	**1,321,058**
Total comprehensive income for the period						
Profit after income tax	-	-	17,886	17,886	78	17,964
Other comprehensive income, net of tax	-	(26,475)	-	(26,475)	-	(26,475)
Total	**-**	**(26,475)**	**17,886**	**(8,589)**	**78**	**(8,511)**
Transactions with Unitholders, recognised directly in equity						
Settlement to non-controlling interests	-	-	-	-	(44)	(44)
Transfer to capital reserve	-	4,159	(4,159)	-	-	-
Distributions	-	-	(59,340)	(59,340)	-	(59,340)
Total	**-**	**4,159**	**(63,499)**	**(59,340)**	**(44)**	**(59,384)**
Balance as at 31 March 2014	**1,342,851**	**(22,608)**	**(69,440)**	**1,250,803**	**2,360**	**1,253,163**

Trust	Unitholders' funds	Accumulated deficit	Total[1] equity
	$'000	$'000	$'000
Balance as at 1 January 2014	**1,342,851**	**(2,760)**	**1,340,091**
Total comprehensive income for the period			
Profit after income tax	-	62,272	62,272
Total	-	**62,272**	**62,272**
Transactions with Unitholders, recognised directly in equity			
Distributions	-	(59,340)	(59,340)
Total	-	**(59,340)**	**(59,340)**
Balance as at 31 March 2014	**1,342,851**	**172**	**1,343,023**

[1] No comparative statements of changes in equity have been presented as APTT was constituted on 30 April 2013. The first financial period was from 30 April 2013 to 31 December 2013. APTT was listed on SGX-ST on 29 May 2013.

DETAIL OF CHANGES IN UNITHOLDERS' FUNDS

Group	Quarter ended 31 March 2014 Number of units	Quarter ended 31 March 2014 $	Period ended[1] 31 December 2013 Number of units	Period ended[1] 31 December 2013 $
At beginning of the period	**1,436,800,000**	**1,342,851,197**	**-**	**-**
Unit issued at registration	-	-	1	1
Units issued upon APTT listing on SGX-ST on 29 May 2013	-	-	1,436,799,999	1,393,695,999[2]
Less: Equity issue expenses	-	-	-	(50,844,803)[3]
At end of the period	**1,436,800,000**	**1,342,851,197**	**1,436,800,000**	**1,342,851,197**

There were no changes to Unitholders' funds during the quarter ended 31 March 2014.

With reference to paragraphs 1(d)(ii) and 1(d)(iv) of Appendix 7.2 of the Listing Manual, the Trustee-Manager confirms that from 1 January 2014 to 31 March 2014, the Trust did not have any convertible securities or treasury units on issue.

[1] The first financial period was from 30 April 2013 (the date of constitution of APTT) to 31 December 2013. Although APTT was constituted on 30 April 2013, the acquisition of the assets and business undertakings of its initial portfolio, TBC, was only completed on 29 May 2013. Consequently, there were no operating activities for the period prior to 29 May 2013.

[2] Issued at offering price of $0.97 per unit.

[3] Equity issue expenses include underwriting fees of $35.4 million, debt advisory fees of $5.6 million and other issue expenses of $9.8 million.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group[1] Quarter ended 31 March 2014 $'000
Cash flows from operating activities	
Profit after income tax	17,964
Adjustments for:	
Depreciation and amortisation expense	11,031
Interest and other finance costs	10,196
Unrealised foreign exchange gain	1,662
Income tax expense	6,497
Operating cash flows before movements in working capital	**47,350**
Trade and other receivables	(3,323)
Trade and other payables	(2,281)
Retirement benefit obligations	(155)
Other assets and liabilities	(7,925)
Cash generated from operations	**33,666**
Income tax received	5,025
Net cash inflows from operating activities	**38,691**
Cash flows from investing activities	
Acquisition of property, plant and equipment	(11,739)
Acquisition of intangible assets	(265)
Net cash outflows from investing activities	**(12,004)**
Cash flows from financing activities	
Interest and other finance costs paid	(9,048)
Settlement to non-controlling interests	(44)
Distributions paid	(59,340)
Net cash outflows from financing activities	**(68,432)**
Net decrease in cash and cash equivalents	**(41,745)**
Cash and cash equivalents at beginning of financial period	96,228
Cash and cash equivalents at end of financial period	**54,483**

[1] No comparative consolidated statement of cash flows has been presented as APTT was constituted on 30 April 2013. The first financial period was from 30 April 2013 to 31 December 2013. APTT was listed on SGX-ST on 29 May 2013.

RECONCILIATION OF NET PROFIT TO EBITDA AND ASSET EBITDA

	Group[1] Quarter ended 31 March 2014 $'000
Net profit for the period	**17,964**
Add: Depreciation and amortisation expense	11,031
Add: Other operating expenses[2]	4,274
Add: Interest and other finance costs	10,196
Add: Income tax expense	6,497
EBITDA	**49,962**
Add: Offshore expenses	682
Add: Trustee-Manager fees	1,767
Add: Trust expenses[3]	(2,640)
Asset EBITDA	**49,771**
Asset EBITDA margin[4]	**64.5%**

[1] No comparative reconciliation of net profit to EBITDA and Asset EBITDA has been presented as APTT was constituted on 30 April 2013. The first financial period was from 30 April 2013 to 31 December 2013. APTT was listed on SGX-ST on 29 May 2013.

[2] Includes net foreign exchange losses which are not included in the calculation of EBITDA and Asset EBITDA.

[3] Trust expenses are included in 'Other operating expenses' appearing in the consolidated statement of profit or loss on page 12.

[4] Asset EBITDA margin is a non-IFRS financial measure and is calculated by dividing Asset EBITDA by Total revenue.

ASIAN PAY TELEVISION TRUST

MANAGEMENT REVIEW FOR THE QUARTER ENDED 31 MARCH 2014

REVIEW OF REVENUE AND OPERATING EXPENSES FOR THE QUARTER ENDED 31 MARCH 2014

As presented in the consolidated statement of profit or loss disclosed on page 12

A) REVIEW OF REVENUE

APTT reported total revenue of $77.2 million for the quarter ended 31 March 2014. Total revenue comprises: Basic cable TV revenue, Premium digital cable TV revenue and Broadband revenue. An analysis of the Group's revenue items is as follows:

(i) Basic cable TV

Basic cable TV revenue, comprising subscription revenue and other non-subscription revenue, represents almost 80% of total revenue. Other Basic cable TV non-subscription revenue comprises revenue generated from the leasing of television channels to third parties, sales of advertising time during the Group's television programming and fees for the installation of set-top boxes. Channel leasing revenue represents a significant portion of other Basic cable TV non-subscription revenue. Total revenue from Basic cable TV for the quarter ended 31 March 2014 includes subscription revenue of $51.1 million and other non-subscription revenue of $10.5 million. Basic cable TV revenue for the quarter ended 31 March 2014 was in line with expectations.

(ii) Premium digital cable TV

Premium digital cable TV revenue comprises subscription revenue and other non-subscription revenue. Subscription revenue includes revenue generated from subscriptions to basic package Premium digital cable TV, premium packs and bundled DVR services. Other Premium digital cable TV non-subscription revenue is comprised of DVR-only fees in addition to revenue generated from the installation of set-top boxes, sales of electronic programme guide data to other system operators, and other revenue. Premium digital cable TV revenue for the quarter ended 31 March 2014 was in line with expectations.

(iii) Broadband

Broadband revenue comprises subscription revenue and other non-subscription revenue mostly from installation services. Revenue from Broadband services was lower than expectations due to the soft economic environment in Taiwan resulting in lower than expected new subscriber additions and lower ARPU.

B) REVIEW OF OPERATING EXPENSES

An analysis of the Group's expense items is as follows:

(i) Broadcast and production costs

Broadcast and production costs were $14.7 million for the quarter ended 31 March 2014. Broadcast and production costs consist of the cost of acquiring Basic cable TV and Premium digital cable TV content, the cost of acquiring bandwidth (which consists of the leasing of domestic and international bandwidth capacity from operators to support TBC's Broadband services) and costs for producing the Group's own programming and news production costs.

(ii) Staff costs

Staff costs were $6.5 million for the quarter ended 31 March 2014. Staff costs consist of direct employee costs and costs for general and administrative employees, in each case including salaries, bonuses, long term incentives and benefits, such as retirement benefits.

(iii) Depreciation and amortisation expense

Depreciation and amortisation expense was $11.0 million for the quarter ended 31 March 2014. Depreciation and amortisation expense includes depreciation and amortisation of the Group's capital expenditures in relation to network equipment, set-top boxes, other plant and equipment and software.

(iv) Trustee-Manager fees

The Trustee-Manager is entitled to a base fee and a performance fee as specified under the Trust Deed.

The Trustee-Manager base fee was $1.8 million for the quarter ended 31 March 2014. There were no performance fees payable to the Trustee-Manager for the quarter ended 31 March 2014.

The base fee is payable semi-annually in arrears for every six months ending 30 June and 31 December of each year. Payment of the base fee, whether in the form of cash and/or units, shall be made out of Trust property within 30 days of the last day of every six months (or such other period as may be determined by the Trustee-Manager at its discretion) in arrears.

(v) Other operating expenses

Other operating expenses were $8.5 million for the quarter ended 31 March 2014. Other operating expenses include Trust expenses, comprising of administrative expenses, corporate services fees, audit fees, annual filing fees, occupancy fees, legal costs, other professional fees, insurance and other miscellaneous expenses and other Group expenses, composed of rent for fibre and utility poles, installation costs, local and National Communications Commission of Taiwan (NCC) taxes, billing expenses, utility expenses, marketing expenses as well as offshore administrative expenses. Other operating expenses also include foreign exchange losses of the Group and period end mark-to-markets on the Trust's foreign currency swaps.

(vi) Interest and other finance costs

Interest and other finance costs were $10.2 million for the quarter ended 31 March 2014 and include interest expense, commitment fees and amortisation of arrangement fees on the Group's debt facilities.

(vii) Income tax expense

The Group is subject to income tax in several jurisdictions. Significant judgment is required in determining provisions for income tax, including a judgment on whether tax positions are probable of being sustained in income tax assessments. There are certain transactions and calculations for which the ultimate income tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated income tax issues based on estimates of whether additional taxes will be due. Where the final income tax outcome of these matters is different from the amounts that were initially recorded, these differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

The Trustee-Manager evaluates positions taken in income tax returns with respect to situations in which applicable income tax regulations are subject to interpretation. The income tax liabilities are recognised when it is more likely than not that certain tax positions may be changed upon review by income tax authorities. The Group believes that the final tax outcome of these positions can differ from those initially recognised when reviews or audits by tax authorities of tax returns are completed. Benefits from tax positions are measured at the single best estimate of the most likely outcome. At each statement of financial position date, the tax positions are reviewed, and to the extent that new information becomes available that causes the Trustee-Manager to change their judgment regarding the adequacy of existing income tax liabilities, these changes to income tax liabilities are duly recognised in income tax expense in the year in which the determination is made.

Income tax expense for the quarter ended 31 March 2014 recognised in the consolidated statement of profit or loss is as follows:

	Group Quarter ended 31 March 2014 $'000
Current income tax	2,689
Deferred income tax	(1,484)
Withholding tax	5,289
Additional current quarter provision from potential tax assessment	3
Total	**6,497**

REVIEW OF NET ASSETS AND STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2014

As presented in the statements of financial position disclosed on page 11

C) ASSETS

(i) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash and cash equivalents at the Trust level decreased from $4.8 million as at 31 December 2013 to $4.1 million as at 31 March 2014. The decrease in cash and cash equivalents is primarily due to the payment of final ordinary distribution net of receipt of distribution from TBC during the quarter ended 31 March 2014.

Cash and cash equivalents at the Group level decreased from $96.2 million as at 31 December 2013 to $54.5 million as at 31 March 2014 largely due to movements at the Trust level as explained above.

(ii) Trade and other receivables

Trade receivables are initially recognised at fair value, and subsequently measured at amortised cost using the effective interest method, less any impairment.

Trade and other receivables at the Trust level increased from $1.5 million as at 31 December 2013 to $2.0 million as at 31 March 2014.

Trade and other receivables at the Group level increased from $11.5 million as at 31 December 2013 to $14.8 million as at 31 March 2014 primarily due to increase in amounts due from trade debtors.

(iii) Investment in subsidiaries

The Trust invested in TBC through the acquisition of two Bermudian investment holding companies.

Held by the Trust	Principal activities	Country of incorporation	Equity holding			
Name of subsidiary			2014 %	2013 %	2014 $'000	2013 $'000
APTT Holdings 1 Limited	Investment holding company	Bermuda	100	100	704,734	704,734
APTT Holdings 2 Limited	Investment holding company	Bermuda	100	100	637,617	637,617
Total					**1,342,351**	**1,342,351**

(iv) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost, subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

The amounts recognised in the consolidated statement of financial position are determined as follows:

	Carrying value as at 1 January 2014 $'000	Additions/ transfers $'000	Disposals $'000	Depreciation during the period $'000	Foreign exchange effect $'000	Carrying value as at 31 March 2014 $'000
Land	2,772	-	-	-	(67)	2,705
Buildings	3,395	9	-	(102)	(79)	3,223
Leasehold improvements	248	9	-	(34)	(6)	217
Network equipment	130,299	10,964	-	(10,110)	(3,136)	128,017
Plant and equipment	3,458	(327)	-	(331)	(69)	2,731
Transport equipment	1,795	-	-	(158)	(41)	1,596
Leased equipment	353	-	-	(13)	(8)	332
Assets under construction	7,192	1,084	-	-	(192)	8,084
Total	**149,512**	**11,739**	**-**	**(10,748)**	**(3,598)**	**146,905**

(v) Intangible assets

Cable TV licences

Costs incurred in acquiring cable TV licences are brought to account as intangible assets. These assets are assessed as having indefinite useful lives and therefore there is no amortisation charge booked against the carrying value.

Software

Costs incurred in acquiring software are brought to account as intangible assets. Software is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the software.

Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill is stated at cost less any impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment.

The amounts recognised in the consolidated statement of financial position are determined as follows:

	Carrying value as at 1 January 2014 $'000	Additions $'000	Disposals $'000	Amortisation during the period $'000	Foreign exchange effect $'000	Carrying value as at 31 March 2014 $'000
Cable TV licenses	2,228,661	-	-	-	(53,424)	2,175,237
Software	2,157	265	-	(283)	(52)	2,087
Goodwill	7,370	-	-	-	(177)	7,193
Total	**2,238,188**	**265**	**-**	**(283)**	**(53,653)**	**2,184,517**

(vi) Income tax refund receivable

As at 31 March 2014, the Group had an aggregate income tax refund receivable of $3.1 million, which consists of the income tax withheld with respect to interest payments on shareholder loans amongst the onshore affiliates in Taiwan. According to the tax laws in Taiwan, 10% income tax must be withheld on the interest payments made locally. The withholding taxes, similar to prepaid tax, can be used as tax credits or be refunded when filing the relevant onshore affiliate's income tax return.

(vii) Derivative financial instruments

The Trust uses foreign exchange swaps to manage its exposure to foreign exchange movements of the Taiwan dollars (NT$) future estimated cash flows from dividends and principal and interest payments received by the Trust from the entities held within the Group. The Trust employs a 24-month rolling hedging program that swaps from 25% of forecast cash flows receivable up to 24 months away, to 100% of cash flows on amounts receivable within three months. As at 31 March 2014, mark to market movements, classified as current and non-current assets, on such swaps were $1.4 million and $0.7 million respectively both at the Group and Trust level.

(viii) Other assets

Other current assets at the Group and Trust level increased from $1.2 million and $0.4 million as at 31 December 2013 to $1.9 million and $0.5 million as at 31 March 2014 respectively. These comprise GST recoverable, expense prepayments and prepaid pension costs.

Other non-current assets at the Group level increased from $0.7 million as at 31 December 2013 to $0.8 million as at 31 March 2014. These comprise refundable deposits and deferred pension costs.

D) Liabilities

(i) Borrowings from financial institutions

	Group as at 31 March 2014 $'000	Group as at 31 December 2013 $'000
Current portion	8,271	6,120
	8,271	**6,120**
Non-current portion	943,799	969,333
Less: Unamortised arrangement fees	(24,561)	(26,185)
	919,238	**943,148**
Total	**927,509**	**949,268**

Borrowings are repayable in tranches by 2020 and are secured by land, buildings, network equipment, plant and equipment and certain deposits, insurance and material contracts held by TBC as well as by pledges over shares in onshore entities of TBC and over the shares in TBC Holdings B.V. and Harvest Cable Holdings B.V. held by Cable TV S.A. The onshore affiliates of TBC are jointly liable under the borrowing facilities. In addition, guarantees in favour of the lenders under the borrowing facilities are provided by TBC Holdings B.V. and Harvest Cable Holdings B.V. As at 31 March 2014, the total value of assets pledged for borrowings was $123.8 million.

The borrowings are denominated in NT$ and bear a floating interest rate of Taiwan's three-month secondary market commercial paper rate plus an interest margin of 2.2% to 3.0% based on the leverage ratio of the Group. As discussed in Note D(ii), the Group uses interest rate swaps to swap a portion of its borrowings from floating rate to fixed rate; as at 31 March 2014 the notional amount swapped was NT$18 billion. The Group's average effective interest rate is less than 4% per annum. Interest on the borrowings is payable quarterly.

(ii) Derivative financial instruments

The Trust uses foreign exchange swaps to manage its exposure to foreign exchange movements as discussed in Note C(vii).

The Group uses interest rate swaps to manage its exposure to interest rate movements on its borrowings from financial institutions by swapping a portion of those borrowings from floating rate to fixed rate. All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount deferred in equity is recognised in profit or loss over the period that the floating rate interest payments on debt impact profit or loss. As at 31 March 2014, mark to market movements, classified as non-current liability, on such swaps were $0.04 million at the Group level on notional amounts swapped of NT$18 billion.

(iii) Trade and other payables

	Group as at 31 March 2014 $'000	Group as at 31 December 2013 $'000	Trust as at 31 March 2014 $'000	Trust as at 31 December 2013 $'000
Trade payables	14,873	15,218	-	-
Base fees payable to the Trustee-Manager	1,891	3,776	1,891	3,776
Amount payable to subsidiaries	-	-	5,430	3,814
Other payables	71	122	71	122
Total	**16,835**	**19,116**	**7,392**	**7,712**

The Group's trade and other payables as at 31 March 2014 comprise broadcast and production costs payable of $14.9 million, base fees payable to the Trustee-Manager of $1.9 million and ancillary service charges payable of $0.1 million.

The Trust's trade and other payables as at 31 March 2014 comprise base fees payable to the Trustee-Manager of $1.9 million, cash held by the Trust on behalf of its subsidiaries of $5.4 million and ancillary service charges payable of $0.1 million.

(iv) Retirement benefit obligations

The Group operates both a defined benefit scheme and a defined contribution scheme. Eligibility for participation in each of the schemes is governed by employment and related laws in the country of employment for employees of the Group. As at 31 March 2014, the Group's retirement benefit obligations, classified as current and non-current liabilities, were $0.3 million and $10.3 million respectively.

(v) Income tax payable

The Group is not required to and does not prepare combined consolidated income tax returns. The following information represents the combined income tax data of the combined consolidated entities.

Provision for income tax and the reconciliation of income tax payable is as follows:

	Group as at 31 March 2014 $'000	Group as at 31 December 2013 $'000
Current income tax provision	9,861	9,870
Less: Prepaid and withheld income tax	-	(2,483)
Add: Accruals for potential tax assessments and prior year tax adjustments	128,187	131,334
Total	**138,048**	**138,721**

The Group is currently in discussions with the Taiwan tax authorities in relation to the tax deductibility of goodwill amortisation, bank loan interest expense and shareholder loan interest expense for the fiscal years from 2006 to 2012.

(vi) Deferred tax liabilities

The tax effects of temporary differences that give rise to deferred tax liabilities are as follows:

	Group as at 31 March 2014 $'000	Group as at 31 December 2013 $'000
Pension expense	(751)	(753)
Impairment loss	(543)	(556)
Accelerated tax depreciation	1,673	1,783
Undistributed earnings of subsidiaries	3,470	4,047
Unrealised exchange gains	923	1,830
Total	**4,772**	**6,351**

(vii) Other liabilities

The Group's current other liabilities as at 31 March 2014 of $50.8 million mainly comprise of collections received in advance amounting to $34.8 million and accrued expenses of $16.0 million.

The Group's non-current other liabilities as at 31 March 2014 of $6.8 million mainly comprise of guarantee deposits received of $5.9 million and amounts accrued under the Group's long-term incentive plan of $0.7 million.

The Trust's current other liabilities as at 31 March 2014 of $0.6 million comprise of accruals for regular operating expenses.

(viii) Reserves

The Group's reserves as at 31 March 2014 mainly comprise of foreign currency translation reserves, hedging reserves, capital reserves and retirement benefit obligations reserves as follows:

	Foreign currency translation reserves $'000	Hedging reserves $'000	Capital reserves $'000	Retirement benefit obligations reserves $'000	Total $'000
Balance as at 1 January 2014	**1,077**	**240**	**(4)**	**(1,605)**	**(292)**
Exchange differences on translation of foreign operations	(26,679)	-	-	-	(26,679)
Unrealised gain on change in fair value of cash flow hedging financial instruments	-	204	-	-	204
Transfer to capital reserve	-	-	4,159	-	4,159
Balance as at 31 March 2014	**(25,602)**	**444**	**4,155**	**(1,605)**	**(22,608)**

(ix) Non-controlling interests

In order to comply with Taiwan cable TV regulations regarding foreign ownership, the entities held within the Group have issued preferred shares to third parties in Taiwan. Non-controlling interests represent the preferred shares issued to external investors and their interests in the net assets of the Group are identified separately from the Group's equity therein.

E) NET ASSET VALUE

	Group as at 31 March 2014	Group as at 31 December 2013	Trust as at 31 March 2014	Trust as at 31 December 2013
Net asset value				
Total net asset value ($'000)	1,253,163	1,321,058	1,343,023	1,340,091
Total number of units in issue used in calculation of net asset value per unit ('000)	1,436,800	1,436,800	1,436,800	1,436,800
Net asset value per unit ($)	**0.87**	**0.92**	**0.93**	**0.93**

As at 31 March 2014, the Group had negative working capital of $141.7 million, however, this included:

- $128.2 million provision related to the tax dispute, for which the Group is currently in discussions with the Taiwan tax authorities, as disclosed in Note D(v). The Group has in place a revolving facility for a non-current loan to fund up to $49.6 million of the estimated tax settlement. The tax settlement is not expected to exceed the amount of the revolving facility available, however the full amount of the provision will remain in place until the settlement is reached; and
- $34.8 million of collections received in advance. These are collections received from customers which do not require any future cash outflow from the Group.

After these adjustments, the Group would have positive working capital of $21.3 million. The Group believes that it has adequate working capital for its present requirements and that its existing loan facilities, together with cash and cash equivalents, will provide sufficient funds to satisfy its working capital requirements and anticipated capital expenditures and other payment obligations for the next 12 months, after taking into consideration the following factors:

- The Group has five cable TV system operators, with their nine-year cable TV licences renewed in either 2008 or 2009, that serve over 755,500 cable TV subscribers as at 31 March 2014, with more than 100 channels of local and international content on its analogue and digital cable TV platforms in Taiwan. Hence, it is expected that the Group's core business, i.e. cable TV system operators and their related businesses, will continue generating sufficient and stable cash inflows. This is consistent with the positive operating cash flows generated by the Group of $38.7 million for the quarter ended 31 March 2014.
- In view of the constant operating cash flows generated, good credibility over the past years and full compliance with the requirements as stipulated in the general revolver loan facility agreement, the Trustee-Manager is confident it can refinance such bank borrowings when required.
- The Trustee-Manager has carefully monitored and managed its cash flows. Management and operation reports are prepared and reviewed on a monthly basis and cash flow forecasts are prepared on a quarterly basis to project cash flow requirements of the Group using various general and operational assumptions.

F) RELATED PARTY TRANSACTIONS

(i) The Trustee-Manager

The Trustee-Manager, Macquarie APTT Management Pte. Limited, was incorporated in Singapore under the Singapore Companies Act on 17 April 2013. The Trustee-Manager is a wholly-owned subsidiary of Macquarie Capital Group Limited.

The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders and managing the business conducted by the Trust. The Trustee-Manager has powers of management over the business and assets of the Trust and its main responsibility is to manage the Trust's assets and liabilities for the benefit of Unitholders as a whole.

The following transactions occurred between APTT and the Trustee-Manager, which includes the cost of key management personnel, during the quarter ended 31 March 2014:

	Quarter ended 31 March 2014 $'000
Transactions	
Trustee-Manager fees	1,767

(ii) Macquarie Group (Macquarie)

There were no fees paid to Macquarie in respect of transaction related services during the quarter ended 31 March 2014.

As per the Resources Agreement between the Trustee-Manager and Macquarie Infrastructure and Real Assets (Singapore) Pte. Limited (MIRA Singapore) in relation to the provision of resource services by MIRA Singapore to the Trustee-Manager, all fees payable in respect of ancillary services are borne by the Trust. For the quarter ended 31 March 2014, such fees charged by the Trustee-Manager were $0.01 million.

(iii) Interested Person Transactions (IPTs)

The Group utilises Macquarie Bank Limited Singapore Branch's foreign exchange department to hedge its foreign currency risk. Macquarie Bank Limited Singapore Branch is regulated by the Monetary Authority of Singapore (MAS) and Rule 915(6) of the Listing Manual exempts the need to disclose transactions with a MAS-regulated entity, on normal commercial terms and in the ordinary course of business. Therefore no further interested person disclosures have been made.

The Group has not obtained a general mandate from Unitholders for IPTs.

(iv) Long-term incentive plan

The Group adopted a long-term incentive plan (the LTIP) in 2013 for its senior management at TBC pursuant to which TBC senior management will be granted notional units of the Trust upon achieving prescribed performance targets. These notional units will vest in tranches over a prescribed period of time initially commencing two years after the grant of the notional units. Upon vesting of such notional units under the LTIP, TBC's senior management will receive a cash payment equal to the number of vested notional units multiplied by the then-prevailing market price of the Units. Performance targets for year 2013 were met and as a result 2.8 million notional units were granted under the LTIP. The Trustee-Manager expects that performance targets for year 2014 will be met and accordingly LTIP attributable for quarter ended 31 March 2014 have been recognised in the financial statements to reflect the estimate of the future obligations under the LTIP. The total amount accrued under the LTIP as at 31 March 2014 is $0.7 million.

G) ADDITIONAL INFORMATION

(i) Announcement of financial statements

Pursuant to Rule 705(2) of the SGX-ST Listing Manual, the financial statements for the quarter ended 31 March 2014 have been disclosed within 45 days after the end of the relevant financial period.

(ii) Review by independent auditor

The financial statements for the quarter ended 31 March 2014 have not been audited or reviewed by the Group's auditors, Deloitte & Touche LLP.

(iii) Basis of preparation

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as specified in the audited financial statements of the Group for the year-to-date period ended 31 December 2013. There were no substantial changes to the Group's accounting policies.

The financial statements have been prepared in accordance with IFRS. The preparation of the financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires the Trustee-Manager to exercise judgement in the process of applying the accounting estimates. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including reasonable expectations of future events. The Trustee-Manager believes the estimates used in the preparation of the financial statements are reasonable. Actual results in the future, however, may differ from those reported.

(iv) Functional and presentation currency

All figures, unless otherwise stated are presented in Singapore dollars, which is APTT's functional and presentation currency.

(v) Rounding of amounts in the financial statements

Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

(vi) Group accounting - subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are consolidated from the date on which control is acquired or otherwise obtained by the Group. They are deconsolidated from the date that control ceases.

REVIEW OF ACTUAL PERFORMANCE AGAINST THE FORECAST DISCLOSED IN THE PROSPECTUS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Actual Quarter ended 31 March 2014 $'000	Forecast[1] Quarter ended 31 March 2014 $'000	Variance %
Revenue			
Basic cable TV	61,553	61,936	(0.6)
Premium digital cable TV	3,404	3,986	(14.6)
Broadband	12,247	13,907	(11.9)
Total revenue	**77,204**	**79,829**	**(3.3)**
Operating expenses			
Broadcast and production costs	(14,718)	(14,995)	1.8
Staff costs	(6,492)	(6,837)	5.0
Depreciation and amortisation expense	(11,031)	(12,991)	15.1
Trustee-Manager fees	(1,767)	(1,774)	0.4
Other operating expenses	(8,539)	(6,449)	(32.4)
Total operating expenses	**(42,547)**	**(43,046)**	**1.2**
Operating profit	**34,657**	**36,783**	**(5.8)**
Interest and other finance costs	(10,196)	(11,367)	10.3
Profit before income tax	**24,461**	**25,416**	**(3.8)**
Income tax expense	(6,497)	(6,719)	3.3
Profit after income tax	**17,964**	**18,697**	**(3.9)**
Profit after income tax attributable to:			
Unitholders of APTT	17,886	18,607	(3.9)
Non-controlling interests	78	90	13.3
Profit after income tax	**17,964**	**18,697**	**(3.9)**

[1] The forecast figures disclosed from the Prospectus have been prorated for the relevant period.

REVIEW OF ACTUAL PERFORMANCE AGAINST THE FORECAST DISCLOSED IN THE PROSPECTUS

Total revenue for the quarter ended 31 March 2014 was 3.3% lower than the forecast in the Prospectus, prorated for the relevant period. This is partially due to lower than expected revenue from Broadband driven by a lower number of subscribers than assumed in the Prospectus, and from a lower ARPU due to the soft economic environment in Taiwan. A significant portion of the variance is also due to pro-rating the Prospectus on a straight line basis whereas revenue, especially from Premium digital TV and Broadband, is expected to increase throughout the year.

Total operating expenses for the quarter ended 31 March 2014 were 1.2% lower than the forecast in the Prospectus, prorated for the relevant period. The variance for the quarter ended 31 March 2014 is primarily due to mark-to-market gains on the Trust's foreign exchange swaps which were not included in the forecast for Other operating expenses in the Prospectus, and due to lower than expected depreciation and amortisation expense. These variances were partially offset by foreign exchange losses and amounts accrued under the Group's long-term incentive plan, both of which were not included in the forecast for Other operating expenses in the Prospectus. Finally, bank charges have been included in Other operating expenses, whereas in the Prospectus they were included in Interest and other finance costs.

Operating profit for the quarter ended 31 March 2014 was 5.8% lower than the forecast in the Prospectus, prorated for the relevant period, due to the factors mentioned above.

Interest and other finance costs for the quarter ended 31 March 2014 were 10.3% lower than the forecast in the Prospectus, prorated for the relevant period. The variance is due to two factors: i) bank charges have been included in Other operating expenses whereas in the Prospectus they were included in Interest and other finance costs; and ii) the Prospectus assumed a higher level of drawn debt.

Income tax expense for the quarter ended 31 March 2014 was 3.3% lower, than the forecast in the Prospectus, prorated for the relevant period. The variance is mostly due to lower profit before income tax resulting from the factors mentioned above.

Profit after income tax for the quarter ended 31 March 2014 was 3.9% lower than the forecast in the Prospectus, prorated for the relevant period, due to the factors mentioned above.

CONFIRMATION OF THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of Macquarie APTT Management Pte. Limited (as Trustee-Manager of APTT), we, the undersigned hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors which may render the financial statements for the quarter ended 31 March 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors of
Macquarie APTT Management Pte. Limited
(Company Registration No. 201310241D)
As Trustee-Manager of APTT



Yong Lum Sung
Director
Singapore
6 May 2014



Robert Neale Thorpe
Director
Singapore
6 May 2014

DISCLAIMERS

Asian Pay Television Trust (APTT) is a business trust listed on the Singapore Exchange Securities Trading Limited (SGX-ST). Macquarie APTT Management Pte. Limited (Trustee-Manager) is the Trustee-Manager of APTT. The Trustee-Manager is a wholly owned subsidiary of Macquarie Capital Group Limited.

None of the entities noted in this document is an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities.

This report is not an offer or invitation for subscription or purchase, or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in APTT, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

In particular, no representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in the information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. Each recipient of the information should make its own independent assessment of the information and take its own independent professional advice in relation to the information and any action taken on the basis of the information.

The offering of units in APTT was sponsored by Macquarie Capital (Singapore) Pte. Limited and J.P. Morgan (S.E.A.) Limited as joint issue managers (the Joint Issue Managers). The Joint Issue Managers assume no responsibility for the contents of this announcement.

Investors should note that there are limitations on the right of certain investors to own units in APTT under applicable Taiwan laws and regulations (the Relevant Restrictions). Such investors include PRC individuals and corporate entities, the Taiwan government and political entities and other restricted entities and restricted persons (collectively, the Restricted Persons). Investors should note that the Deed of Trust constituting APTT dated 30 April 2013 (the Trust Deed) provides that the Trustee-Manager may, in the case of a breach of the Relevant Restrictions, take all steps and do all things as it may in its absolute discretion deem necessary to ensure that the Relevant Restrictions are complied with. In particular, the Trust Deed provides that the Trustee-Manager has the power to require the relevant Restricted Person to dispose of their units in APTT and, if such request is not complied with within 21 days after such request (or such shorter period as the Trustee-Manager shall consider reasonable), to arrange for the sale of the units. The Trustee-Manager is not required to provide any reason for, and is not liable or responsible for any losses incurred as a result of, exercising such power. For further information, investors should refer to the prospectus dated 16 May 2013 issued by APTT and the Trust Deed.