



(Incorporated in Bermuda with limited liability)

(Stock Code: 1045)

Exercise of Option by NTT Com Asia Limited

and

Transactions ceasing to be Continuing Connected Transactions upon APT Telecom Completion

Exercise of Option by NTT Com Asia Limited

On 3 October 2008, Skywork was notified by the Licensee that it would like to exercise the call option to purchase from Skywork and SingaSat all their equity interests in APT Telecom in accordance with the Option Agreement dated 2 October 2007 entered into among Skywork, SingaSat and the Licensee. Completion of the sale and purchase also took place on the same date.

Transactions ceasing to be Continuing Connected Transactions upon APT Telecom Completion

Upon APT Telecom Completion, SingaSat and members of the SingTel Group will cease to be connected persons of the Company and therefore, the Transponder and the Telecom Transactions will no longer constitute connected transactions of the Company. The reporting obligations of the Company under the Listing Rules with respect to the Transponder and the Telecom Transactions will also cease upon APT Telecom Completion.

Exercise of Option by NTT Com Asia Limited

Reference is made to the announcement of APT Satellite Holdings Limited (the “**Company**”) dated 2 October 2007 and the circular dated 23 October 2007 respectively in relation to, among other things, the grant of a call option to NTT Com Asia Limited (the “**Licensee**”), pursuant to an option agreement dated 2 October 2007 (“**Option Agreement**”), to purchase from Skywork Corporation (“**Skywork**”), an indirect wholly owned subsidiary of the Company, and SingaSat Private Limited (“**SingaSat**”), a connected person of the Company, all their equity interests in APT Satellite Telecommunications Limited (“**APT Telecom**”). Terms used in this section headed “Exercise of Option by NTT Com Asia Limited”, unless otherwise defined, have the same meanings as those used in the circular of the Company dated 23 October 2007.

On 3 October 2008, Skywork was notified by the Licensee that it would like to exercise the call option to purchase from Skywork and SingaSat all their equity interests in APT Telecom in accordance with the Option Agreement dated 2 October 2007 entered into among Skywork, SingaSat and the Licensee. APT Telecom is a jointly controlled company owned as to 55% by Skywork and as to 45% by SingaSat. On the same date, Skywork and SingaSat entered into an agreement with the Licensee in relation to the transaction, which included certain usual and customary representations and warranties

and completion of the sale and purchase took place immediately after the signing of such agreement (“**APT Telecom Completion**”). The Company confirms there has been no material change in the terms of the transaction from that as contained in the Option Agreement.

Transactions ceasing to be Continuing Connected Transactions upon APT Telecom Completion

Reference is made to the announcement of the Company dated 28 December 2006 and the circular dated 18 January 2007 respectively in relation to, among other things, the continuing connected transactions in respect of the provision as well as procurement of satellite transponder capacity and of telecommunications services (the “**Transponder and the Telecom Transactions**”) by the Company and its subsidiaries (the “**Group**”) to Singapore Telecommunications Limited (“**SingTel**”) and its subsidiaries (the “**SingTel Group**”). Terms used in this section headed “Transactions ceasing to be Continuing Connected Transactions upon APT Telecom Completion”, unless otherwise defined, have the same meanings as those used in the circular of the Company dated 18 January 2007.

SingaSat is a wholly owned subsidiary of SingTel and by reason of SingaSat’s 45% interest in APT Telecom (a jointly controlled company owned as to the remaining 55% by Skywork), members of the SingTel Group are considered connected persons of the Company and the Transponder and the Telecom Transactions constitute connected transactions of the Company.

Upon APT Telecom Completion, SingaSat and members of the SingTel Group ceases to be connected persons of the Company and therefore, the Transponder and the Telecom Transactions no longer constitutes connected transactions of the Company. The reporting obligations of the Company under the Listing Rules with respect to the Transponder and the Telecom Transactions also ceases upon APT Telecom Completion.

By Order of the Board
Dr. Brian Lo
Company Secretary

Hong Kong, 3 October 2008

The Directors as at the date of this announcement are as follows:

Executive Directors:

Cheng Guangren (*President*), Tong Xudong (*Vice President*) and Qi Liang (*Vice President*)

Non-Executive Directors:

Rui Xiaowu (*Chairman*), Lim Toon, Yin Yen-liang, Wu Zhen Mu, Yong Foo Chong and Tseng Ta-mon (*Alternate Director to Yin Yen-liang*)

Independent Non-Executive Directors:

Huan Guocang, Lui King Man, Lam Sek Kong and Cui Ligu