

AsiaSat's U.S. Sanctions Policy Statement
(Updated as of 16 May 2016)

As a satellite operator that owns and operates a fleet of U.S.-made satellites, it is our policy to comply with applicable U.S. laws and regulations, including U.S. sanctions that apply to the use of our satellites. AsiaSat will not enter into any business dealings or transactions with a **Sanctioned Party**^[1] unless exempt or authorized by a general or specific license issued by the Office of Foreign Assets Control ("**OFAC**") of the US Department of the Treasury.^[2]

Please see below for some recent changes to U.S. sanctions regulations and the effect that these may have on our business dealings.

North Korea

On 18 February 2016, in response to North Korea's recent nuclear weapons test and rocket launch, the U.S. government passed a new law significantly expanding existing sanctions against the country. These latest measures also target third-country companies that continue do business with North Korea. The new law threatens to impose punitive measures on any non-U.S. persons and entities that are found to have acted in contravention of the sanctions law – and deny them access to the U.S. financial and commercial systems.

Iran

On 16 January 2016, the U.S. government lifted nuclear-related secondary sanctions on Iran under the Joint Comprehensive Plan of Action (the "**JCPOA**") between P5+1 group (the U.S., the U.K. France, China, Russia plus Germany) and Iran. Although U.S. trade embargo on Iran remains unchanged, current rules no longer prohibit non-U.S. persons or entities from dealing with an Iranian party unless they are (1) listed on the SDN List, (2) part of the Government of Iran, or otherwise owned or controlled by, or acting for or on behalf of, directly or indirectly, the Government of Iran, and (3) any person 50% or more owned, directly or indirectly, by any of the above.

Following the implementation of the JCPOA, AsiaSat will now consider any transaction in respect of utilization by, or transmission from Iran on a case-by-case basis but subject always to our policy regarding Sanctioned Party as described above.

^[1] For the purpose of this letter, "**Sanctioned Party**" shall include, without limitation: (a) any persons or group listed on the SDN List, (b) any person or group operating, organized or resident in a Sanctioned Country, (c) any agency, political subdivision or instrumentality of the government of a Sanctioned Country, or (d) any person 50% or more owned, directly or indirectly, by any of the above.

^[2] For avoidance of doubt, AsiaSat will not enter into any agreements that permit capacity on our satellites to be utilized by a Sanctioned Party in or from North Korea, Sudan and Syria unless a relevant waiver has been issued by or obtained from the U.S. government (without limitation, this includes any transmission conducted via third party companies or countries).

Cuba

On 20 July 2015, Cuba and the U.S. restored diplomatic relations with the re-opening of a U.S embassy in Havana. Although the Cuba embargo remains in place awaiting further action by U.S. Congress, it is clear that Cuba and the U.S. are moving closer towards normalization of relationship.

Current rules already permit transactions that are directly incident to the exportation, importation, or transmission of information or informational materials. On 27 January 2016, OFAC issued a general license authorizing other transactions that are directly incident to professional media or artistic productions of information or informational materials for exportation, importation, or transmission, including the filming or production of media programs (such as movies and television programs).

For more information on Sanctions Programs, Country Information, and the SDN list, please visit the FAQ page on the OFAC website:

https://www.treasury.gov/resource-center/faqs/Sanctions/Pages/faq_general.aspx#10

If you have any questions about our U.S. sanctions policy, or wish to discuss anything further, please do not hesitate to contact us.

Yours sincerely



William Wade
President & Chief Executive Officer