

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2009 (Unaudited)**

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**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
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These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the Board of Directors on 13 May 2009

**1 General information**

Thaicom Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 414 Phaholyotin Road, Samsen Nai, Phayathai, Bangkok 10400.

The Company was listed on the Stock Exchange of Thailand in January 1994.

The Company’s major shareholders during the financial period was Shin Corporation Public Company Limited which is incorporated in Thailand, with 41.14% shareholding.

The Company, its subsidiaries, associate, and jointly controlled entities (Collectively referred to as “the Group”) are primarily involved in transponder services for domestic and international communications, sale of user terminal of iPSTAR, broadband content services, sale of direct television equipment, Internet data center services, Internet services, satellite uplink-downlink services, printing and publishing of business telephone directories, banner advertising, telephone network services, mobile contents, and engineering and development services on communication technology and electronics, which are mainly operated under agreements for operation.

The Group has operations in 10 countries; Thailand, Singapore, Cambodia, Lao PDR, Australia, New Zealand, the United States of America, Mauritius, the British Virgin Islands and Japan.

The Company obtained agreements for operation from the Ministry of Transport and Communications for a period of 30 years to operate and administer satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a 30-year period, service charges from users of the transponders. These agreements for operation have been transferred to the Ministry of Information Communication and Technology and will be expired in 2021.

Details of the Company’s subsidiaries and jointly controlled entities as at 31 March 2009 and 31 December 2008 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			31 March 2009	31 December 2008
<i>Direct subsidiaries</i>				
DTV Service Company Limited	Providing meeting center via internet and broadband content services and sale of direct television equipments	Thailand	100	100
iPSTAR Company Limited	Providing iPSTAR transponder services	The British Virgin Islands	99.68	99.68

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Name of the entity	Type of business	Country of incorporation	Ownership interest	
			31 March 2009	31 December 2008
Star Nucleus Company Limited	Providing broadband technological services via iPSTAR satellite	The British Virgin Islands	70	70
Spacecode LLC	Providing engineering and development services, technology and electronics	The United States of America	70	70
IPSTAR International Pte Limited	Providing iPSTAR transponder services	Singapore	100	100
IPSTAR Global Services Company Limited	Providing iPSTAR transponder service	Mauritius	100	100
Cambodian DTV Network Limited	Sale of direct television equipment	Cambodia	100	100
<b>Indirect subsidiaries</b>				
<b>Subsidiary of DTV Service Company Limited</b>				
NTU (Thailand) Company Limited	Provide organising services related to conduct training, educational seminar and spread the various kind of knowledge	Thailand	88.52	88.52
<b>Subsidiaries of iPSTAR Company Limited</b>				
IPSTAR Australia Pty Limited	Sale of user terminal of iPSTAR and providing iPSTAR transponder services in Australia.	Australia	100	100
IPSTAR New Zealand Company Limited	Sale of user terminal of iPSTAR and providing iPSTAR transponder services in New Zealand	New Zealand	100	100
<b>Jointly-controlled entities</b>				
Shenington Investments Pte Limited	Holding company for investment in international telecommunications	Singapore	51	51
<b>Subsidiaries of Shenington Investments Pte Limited</b>				
Mfone Company Limited	Providing fixed line, mobile phone and internet services	Cambodia	51	51
<b>Jointly-controlled of Shenington Investments Pte Limited</b>				
Lao Telecommunications Company Limited	Providing fixed line, mobile phone, public phone, public international facilities and internet services	Lao PDR	24.99	24.99

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**2 Basis of preparation of the financial statements**

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 41 (revised 2007) *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”), applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The interim financial statements are prepared to provide an update on the financial statement for the year ended 31 December 2008. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2008.

The interim financial statements are presented in Thai Baht, rounded to the nearest thousand unless otherwise stated.

The Group has adopted the following revised Thai Accounting Standards (TAS), which were issued by the FAP during 2008 and effective for annual accounting periods beginning on or after 1 January 2009:

TAS 36 (revised 2007)                      *Impairment of Assets*

TAS 54 (revised 2007)                      *Non-current Assets Held for Sale and Discontinued Operations*

The adoption of these revised TAS does not have any material impact on the consolidated or separate financial statements.

Accounting policies and methods of computation applied in the interim financial statements for the three-month period ended 31 March 2009 are consistent with those applied in the financial statements for the year ended 31 December 2008, except for change in accounting estimate on the useful lives of assets as discussed in note 6.

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**3 Related party transactions and balances**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by Shin Corporation Public Company Limited (“Shin”) (incorporated in Thailand), which owns 41.14% (*31 December 2008: 41.14%*) of the Company’s shares. Transactions with Shin Group, Cedar Group, Aspen Group, and Temasek Group are recognised as related party transactions of the Group.

Sales and service transactions with related parties were conducted under normal commercial terms and conditions, which were the same as for other customers. Consulting and management services were charged at an agreed percentage of assets. Transactions between the Company and Codespace, Inc. were conducted based on hourly rates plus reimbursement of actual expenses.

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Significant transactions for the three-month periods ended 31 March 2009 and 2008 with related parties were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
<b><i>Sales and services income</i></b>				
Subsidiaries	-	-	192,650	238,514
Associate	2,423	443	2,414	428
Jointly-controlled entities	10,873	12,435	11,596	18,615
Related parties under common control	17,452	14,359	14,309	12,596
<b><i>Other income</i></b>				
Subsidiaries	-	-	4,042	3,235
Jointly-controlled entities	210	280	428	572
<b>Total</b>	<b><u>30,958</u></b>	<b><u>27,517</u></b>	<b><u>225,439</u></b>	<b><u>273,960</u></b>
<b><i>Purchases of goods and services</i></b>				
Subsidiaries	-	-	8,251	12,019
Associate	4,121	5,940	3,506	5,099
Jointly-controlled entities	1,231	5	2,512	11
Related parties under common control	377	829	377	763
Other related party	8,520	3,859	3,847	3,859
<b><i>Selling and administrative expenses</i></b>				
Parent company	22	-	-	-
Subsidiaries	-	-	56	133
Associate	921	2,757	624	2,725
Jointly-controlled entities	(592)	-	(1,236)	-
Related parties under common control	4,443	4,438	3,493	2,361
Other related party	1,021	-	-	-
Director and management benefit expenses	12,764	27,682	12,628	27,554
<b><i>Finance costs</i></b>				
Other related party	-	48	-	48
<b>Total</b>	<b><u>32,828</u></b>	<b><u>45,558</u></b>	<b><u>34,058</u></b>	<b><u>54,572</u></b>

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Balances as at 31 March 2009 and 31 December 2008 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
	<i>(in thousand Baht)</i>			
<b><i>Trade accounts receivable and accrued income - related parties</i></b>				
<b><i>Trade accounts receivable - related parties</i></b>				
Subsidiaries	-	-	254,418	206,606
Associate	580	3,665	546	3,636
Jointly-controlled entities	18,529	11,757	11,391	5,750
Related parties under common control	3,671	3,645	618	-
<b>Total</b>	<b>22,780</b>	<b>19,067</b>	<b>266,973</b>	<b>215,992</b>
<b><i>Accrued income - related parties</i></b>				
Subsidiaries	-	-	160,850	135,031
Associate	992	15,205	992	15,205
Jointly-controlled entities	2,103	2,303	2,804	3,187
Related parties under common control	442	2,280	-	-
<b>Total</b>	<b>3,537</b>	<b>19,788</b>	<b>164,646</b>	<b>153,423</b>
<b>Total trade accounts receivable and accrued income from related parties</b>	<b>26,317</b>	<b>38,855</b>	<b>431,619</b>	<b>369,415</b>
<b><i>Amounts due from related parties</i></b>				
Subsidiaries	-	-	7,277	79,023
Associate	24	68,601	24	1,074
Jointly-controlled entities	919	2,278	85,652	4,483
<b>Total</b>	<b>943</b>	<b>70,879</b>	<b>92,953</b>	<b>84,580</b>
<b><i>Other current assets - related parties</i></b>				
Subsidiaries	-	-	11,813	7,748
Related parties under common control	281	281	281	281
<b>Total</b>	<b>281</b>	<b>281</b>	<b>12,094</b>	<b>8,029</b>
<b><i>Short-term loans and advances to subsidiaries</i></b>				
Subsidiaries	-	-	200,667	168,805
<b>Total</b>	<b>-</b>	<b>-</b>	<b>200,667</b>	<b>168,805</b>

As at 31 March 2009, the short-term loan to a subsidiary bears interest at the rate of 4.90 - 5.36% per annum (31 December 2008: 5.14 – 6.58% per annum) and is repayable within three months.

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Movements during the three-month period ended 31 March 2009 and 2008 of short-term loans and advance to a subsidiary were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
As at 1 January	-	-	168,805	200,255
Increase	-	-	31,862	-
Decrease	-	-	-	(47,999)
<b>As at 31 March</b>	<b>-</b>	<b>-</b>	<b>200,667</b>	<b>152,256</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
	<i>(in thousand Baht)</i>			

***Trade accounts payable***

***- related parties***

Subsidiaries	-	-	14,898	10,165
Associate	19,069	25,234	18,365	17,574
Jointly-controlled entities	289	249	385	332
Related parties under common control	12,248	9,065	976	492
Other related party	2,474	4,306	2,474	4,306
<b>Total</b>	<b>34,080</b>	<b>38,854</b>	<b>37,098</b>	<b>32,869</b>

***Amounts due to related parties***

Subsidiaries	-	-	9,416	18,812
Jointly-controlled entities	3,299	2,845	6,733	5,807
Related parties under common control	3,585	1,743	3,111	855
Other related party	2,372	1,344	1,427	-
<b>Total</b>	<b>9,256</b>	<b>5,932</b>	<b>20,687</b>	<b>25,474</b>

***Advance receipts from customers***

***- related parties***

Related parties under common control	12,956	27,345	12,953	27,345
<b>Total</b>	<b>12,956</b>	<b>27,345</b>	<b>12,953</b>	<b>27,345</b>

***Accrued expenses - related parties***

Associate	-	26	-	26
Related parties under common control	646	691	470	515
<b>Total</b>	<b>646</b>	<b>717</b>	<b>470</b>	<b>541</b>

***Other non current liabilities***

***- related parties***

Jointly-controlled entities	40	40	54	54
<b>Total</b>	<b>40</b>	<b>40</b>	<b>54</b>	<b>54</b>

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**Warrants of Shin Corporation Public Company Limited granted to directors which are management of the Company**

Shin Corporation Public Company Limited (“Shin”), the parent company, issued warrants which are in registered form are non-transferable and have no offering price, to directors who are management of the Company. The term of the warrant is not exceeding five years. As at 31 March 2009, the details were as follows:

	Issued date	Issued (units)	Exercise ratio (unit : share)	Exercise price (Baht/share)	Exercise period First Last	
ESOP - Grant I	27 March 2002	18,336,300	1 : 1.06942	16.645	Expired on 27 March 2007	
ESOP - Grant II	30 May 2003	12,222,100	1 : 1.11410	12.269	Expired on 30 May 2008	
ESOP - Grant III	31 May 2004	8,823,100	1 : 1.11410	32.681	31 May 2005	30 May 2009
ESOP - Grant IV	31 May 2005	8,329,800	1 : 1.09950	37.981	31 May 2006	30 May 2010
ESOP - Grant V	31 July 2006	7,823,000	1 : 1.06582	35.353	31 July 2007	30 July 2011

**Directors’ remuneration**

The directors’ remuneration represent monthly compensation, annual remuneration, and meeting fees whereas the directors benefit approved by the shareholders of the Company at their Annual General Meetings. The directors’ remuneration is as part of directors and management benefit expenses presented in Statement of income.

**Commitments with related parties**

As at 31 March 2009, the Company had issued letters of comfort to the bankers for credit facility of subsidiaries. Under the terms of the letters of comfort, the Company must hold its interests in its subsidiaries at the ratio as specified in the letters. The Company also confirms to the banks that the Company will provide necessary financial support to these subsidiaries to ensure that these subsidiaries will be able to meet their repayment obligations under their related loan agreements.

**Significant agreements with related parties**

- a. The Company and certain related party had entered into agreements with a related party, under which the related party was committed to maintain accounting program service for a period of approximately one year to five years with an option to renew. The Company was committed to pay for services in respect of the agreements at approximately Baht 4.73 million per year (31 December 2008: approximately Baht 7.32 million per year).
- b. The Company had entered into an agreement with an associated company, under which the associate was committed to provide uplink data service for a period of approximately five years. The Company was committed to pay for the service in respect of the agreements at approximately Baht 14.49 million (31 December 2008: approximately Baht 16.15 million).
- c. The Company had entered into an agreement with a jointly-controlled entity, under which the jointly-controlled entity was committed to responsible for ensuring the IPSTAR gateway System perform in accordance to the industry standard and provide maintenance service for a period of approximately five years. The Company was committed to pay for the service in respect of the agreements at approximately USD 0.82 million (31 December 2008: approximately USD 0.88 million).



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Aging analysis for trade accounts receivable were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31 March	31 December	31 March	31 December
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Within credit terms	247,711	354,467	156,559	210,892
Overdue:				
Less than 3 months	275,353	174,509	201,341	231,437
3 - 6 months	152,983	191,821	151,286	79,828
6 - 12 months	100,084	94,176	53,726	80,549
over 12 months	556,986	557,209	398,949	393,537
<b>Total</b>	<b>1,333,117</b>	<b>1,372,182</b>	<b>961,861</b>	<b>996,243</b>
Less allowance for doubtful accounts	(596,621)	(574,935)	(423,125)	(396,846)
<b>Net</b>	<b>736,496</b>	<b>797,247</b>	<b>538,736</b>	<b>599,397</b>

The normal credit term for general customers were granted by the Group ranging 30 - 60 days.

**5 Investments in subsidiaries, jointly-controlled entities and an associate**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
At 1 January	380,791	676,232	795,789	882,059
Share of net profits of investments in associate - equity method	25,837	26,691	-	-
Acquisitions	-	-	-	1,053
<b>At 31 March</b>	<b>406,628</b>	<b>702,923</b>	<b>795,789</b>	<b>883,112</b>

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Investments in subsidiaries, jointly-controlled entities and associate as at 31 March 2009 and 31 December 2008, and dividend income from those investments for the three-month periods ended 31 March 2009 and 2008 were as follows:

	Consolidated financial statements												Dividend income for three months ended	
	Ownership interest (%)		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		31 March 2009	31 March 2008
	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 March 2008
	<i>(in million Baht)</i>													
<i>Associate</i>														
CS Loxinfo Public Company Limited	43.48	43.48	157.35	157.35	1,481.52	1,481.52	406.63	380.79	-	-	406.63	380.79	-	-
<b>Total</b>			<b>157.35</b>	<b>157.35</b>	<b>1,481.52</b>	<b>1,481.52</b>	<b>406.63</b>	<b>380.79</b>	<b>-</b>	<b>-</b>	<b>406.63</b>	<b>380.79</b>	<b>-</b>	<b>-</b>

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	<b>Separate financial statements</b>												
	Ownership		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for		
	Interest (%)										three months ended		
	31	31	31	31	31	31	31	31	31	31	31	31	
March	December	March	December	March	December	March	December	March	December	March	December	March	March
2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
<i>(in million Baht)</i>													
<b><i>Subsidiaries</i></b>													
DTV Service Company Limited	100.00	100.00	Baht 398.79 million	Baht 398.79 million	398.79	398.79	-	-	398.79	398.79	-	-	
Spacecode LLC	70.00	70.00	USD 4.29 million	USD 4.29 million	118.65	118.65	-	-	118.65	118.65	-	-	
iPSTAR Company Limited	99.68	99.68	USD 2.00 million	USD 2.00 million	136.23	136.23	-	-	136.23	136.23	-	-	
Star Nucleus Company Limited	70.00	70.00	-	-	-	-	-	-	-	-	-	-	
IPSTAR International Pte Limited	100.00	100.00	SGD 20,000	SGD 20,000	0.45	0.45	-	-	0.45	0.45	-	-	
IPSTAR Global Services Company Limited	100.00	100.00	USD 20,000	USD 20,000	0.69	0.69	-	-	0.69	0.69	-	-	
Cambodian DTV Network Company Limited	100.00	100.00	USD 100,000	USD 100,000	3.34	3.34	-	-	3.34	3.34	-	-	
<b><i>Jointly-controlled entities</i></b>													
Shenington Investments Pte Limited	51.00	51.00	SGD 14.66 million	SGD 14.66 million	137.64	137.64	-	-	137.64	137.64	83.94	-	
<b>Total</b>					<b><u>795.79</u></b>	<b><u>795.79</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>795.79</u></b>	<b><u>795.79</u></b>	<b><u>83.94</u></b>	<b><u>-</u></b>	

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Significant movements in investments in subsidiaries, jointly controlled entities and an associate for the three-month period ended 31 March 2009 were as follows:

*Associate*

**a) Dividend payment of CS Loxinfo Public Company Limited (“CSL”)**

At the Annual General Meeting of the shareholders of CSL held on 8 April 2009, the shareholders approved the appropriation of dividend payment for the last seven-month operation of 2008 of the Company of Baht 0.22 per share, amounting to Baht 127 million. The dividend was paid on 6 May 2009.

*Jointly-controlled entities*

**b) Dividend payment of Lao Telecommunications Company Limited (“LTC”)**

At the Annual General Meeting of the shareholders of LTC held on 3 February 2009, the shareholders approved the appropriation of dividend from 2008 operation of USD 25 million which including interim dividend of USD 10 million, approved at the Extraordinary General Meeting of shareholders 1/2008 held on 26 July 2008. The final dividend of USD 15 million was paid on 13 February 2009 and 17 February 2009.

**c) Additional share capital of Mfone Company Limited**

On 8 January 2009, Mfone Company Limited (“Mfone”) registered additional share capital with the Ministry of Commerce of Cambodia. The board of director passed a resolution to approve the increase of ordinary share of USD 4.8 million from USD 19.2 million to USD 24 million, comprise of 24,000,000 ordinary shares at USD 1 each.

**d) Dividend payment of Shenington**

On 3 March 2009, the Board of Directors of Shenington Investments Pte Limited passed the circulation of resolution to approve the appropriation of interim dividends of SGD 0.4844 per share, amounting to SGD 7.1 million in respect of the Company’s operation in 2008

**Commitments**

According to the joint venture agreement between the Group and the Government of the Lao People’s Democratic Republic, the Group must transfer all of LTC’s shares to the Government of the Lao People’s Democratic Republic, without any charges or compensation, on the expiration date of the joint venture agreement in 2021.

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**6 Capital expenditure and commitments**

**Consolidated financial statements**

	Property and equipment	Property and equipment under agreements for operation <i>(in thousand Baht)</i>	Deferred charges	Intangible assets
<b>Transactions during the three-month period ended 31 March 2009</b>				
Opening net book value	5,515,249	17,069,060	10,065	1,281,313
Additions	362,009	130	1,077	19,657
Disposal, net	(25)	-	-	-
Write-offs, net	-	-	(7,884)	-
Transfers, net	(4,857)	114	27,161	-
Depreciation / amortisation charges	(302,018)	(402,070)	(1,555)	(28,286)
Foreign currency translation adjustments	60,968	-	-	2,128
<b>Closing net book value</b>	<b>5,631,326</b>	<b>16,667,234</b>	<b>28,864</b>	<b>1,274,812</b>
<b>As at 31 March 2009</b>				
Cost	9,557,912	26,567,203	63,080	1,641,828
<i>Less</i> accumulated depreciation / amortisation	(3,897,994)	(9,899,969)	(34,216)	(367,016)
<i>Less</i> accumulated impairment loss	(28,592)	-	-	-
<b>Net book value</b>	<b>5,631,326</b>	<b>16,667,234</b>	<b>28,864</b>	<b>1,274,812</b>

As at 31 March 2009, the accumulated impairment loss of Baht 28.6 million (*31 December 2008: Baht 28.6 million*) comprises an impairment loss for analogue mobile telephone network of a jointly-controlled entity which ceased its operation in 2005 amounting to Baht 16.2 million and an impairment loss for rural telephone network of another jointly-controlled entity amounting to Baht 12.4 million.

Effective from 1 January 2009, Mfone Company Limited (“Mfone”) has revised its accounting estimate on the useful lives of network assets from 15 years to 5 - 10 years. The change results in an increase in depreciation for the three-months period ended 31 March 2009 in the consolidated financial statements in the amount of Baht 55 million.

As at 31 March 2009, property and equipment includes property and equipment under agreements of operation of a jointly-controlled entity, Mfone Company Limited (“Mfone”), of approximately Baht 2,679 million (*31 December 2008: Baht 1,409 million*). According to the agreement, Mfone must transfer its ownership of the property and equipment to the government of Cambodia on the expiration date of the agreements of operation, on 4 March 2028 (Note 11 b).

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	Property and equipment	Separate financial statements		
		Property and equipment under agreements for operation (in thousand Baht)	Deferred charges	Intangible Assets
<b>Transactions during the three-month period ended 31 March 2009</b>				
<b>Opening net book value</b>	1,405,718	17,069,060	8,458	1,087,059
Additions	34,355	130	-	19,131
Disposal, net	(25)	-	-	-
Write-offs, net	-	-	(7,884)	-
Transfers, net	(4,918)	114	27,162	-
Depreciation / amortisation charges	(90,709)	(402,070)	(1,396)	(24,938)
<b>Closing net book value</b>	<b>1,344,421</b>	<b>16,667,234</b>	<b>26,340</b>	<b>1,081,252</b>
<b>As at 31 March 2009</b>				
Cost	3,557,802	26,567,203	27,162	1,415,088
Less accumulated depreciation / Amortisation	(2,213,381)	(9,899,969)	(822)	(333,836)
<b>Net book value</b>	<b>1,344,421</b>	<b>16,667,234</b>	<b>26,340</b>	<b>1,081,252</b>

**Capital expenditure commitments**

Capital expenditure contracted but not provided for at the balance sheet date was as follows:

	Currency	Consolidated financial statements		Separate financial statements	
		31 March 2009	31 December 2008	31 March 2009	31 December 2008
<i>(in thousand )</i>					
IPSTAR Project	USD	577	693	577	693
	AUD	326	324	-	-
Telephone network	USD	34,752	15,393	-	-
Total	USD	35,329	16,086	577	693
	AUD	326	324	-	-
<b>Total equivalent to Thai Baht</b>		<b>1,267,958</b>	<b>572,227</b>	<b>20,572</b>	<b>24,315</b>

**Thaicom Public Company Limited and its Subsidiaries**  
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**7 Interest-bearing liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
	<i>(in thousand Baht)</i>			
<b>Current</b>				
<i>Short-term borrowings</i>				
Loans from financial institutions	322,773	296,202	-	-
Total short-term borrowings	<u>322,773</u>	<u>296,202</u>	<u>-</u>	<u>-</u>
<i>Current portion of long-term borrowings</i>				
Loans from financial institutions	1,249,065	1,219,222	1,153,013	1,132,464
Loans from others	74,274	73,200	2,366	2,449
Total current portion of long-term borrowings	<u>1,323,339</u>	<u>1,292,422</u>	<u>1,155,379</u>	<u>1,134,913</u>
<b>Non-current</b>				
<i>Long-term borrowings</i>				
Loans from financial institutions	7,542,442	7,426,485	7,008,985	6,862,091
Loans from others	299,097	294,920	5,722	6,187
Total long-term borrowings	<u>7,841,539</u>	<u>7,721,405</u>	<u>7,014,707</u>	<u>6,868,278</u>
<b>Total borrowings</b>	<b><u>9,487,651</u></b>	<b><u>9,310,029</u></b>	<b><u>8,170,086</u></b>	<b><u>8,003,191</u></b>

The movements in the borrowings are as follows:

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
	<i>(in thousand Baht)</i>	
<b>For the three-month period ended 31 March 2009</b>		
Opening net book value	9,310,029	8,003,191
Proceeds from short-term borrowings	17,000	-
Repayments of long-term borrowings	(25,623)	(549)
Amortisation of finance costs	26,989	26,989
Unrealised loss on exchange rate	159,256	140,455
Closing net book value	<u>9,487,651</u>	<u>8,170,086</u>

***Credit facilities***

As at 31 March 2009, available credit facilities for loans from local and overseas banks are Baht 1,326.12 million and USD 19 million (31 December 2008: Baht 1,344.8 million and USD 22.5 million).

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**8 Share capital and warrants**

	<i>Par value per share (Baht)</i>	2009		2008	
		Number	Amount	Number	Amount
		<i>(thousand shares / thousand Baht)</i>			
<i>Authorised capital</i>					
<b>At 31 March</b>					
ordinary shares	5	<u>1,132,082</u>	<u>5,660,412</u>	<u>1,132,082</u>	<u>5,660,412</u>
<i>Issued and paid up</i>					
<b>At 1 January</b>					
ordinary shares	5	1,095,938	5,479,688	1,092,219	5,461,094
Issue of new shares	5	<u>-</u>	<u>-</u>	<u>234</u>	<u>1,170</u>
<b>At 31 March</b>					
ordinary shares	5	<u>1,095,938</u>	<u>5,479,688</u>	<u>1,092,453</u>	<u>5,462,264</u>

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**Warrants**

As at 31 March 2009, the Company has five ESOP schemes allocated to directors and employees of the Company and its subsidiaries. The warrants are in registered form, are non-transferable and have no offering price. The terms of the warrants do not exceed five years. The exercise price and period are detailed below:

	Issued date	Issued (million units)	Exercise ratio (unit : share)	Exercise price (Baht/share)	Exercise period	
					First	Last
ESOP – Grant I	27 March 2002	8.00	1 : 2.04490	13.081	Expired on 27 March 2007	
ESOP – Grant II	30 May 2003	4.40	1 : 2.04490	6.279	Expired on 30 May 2008	
ESOP – Grant III	31 May 2004	5.89	1 : 1.02245	13.913	31 May 2005	31 May 2009
ESOP – Grant IV	31 May 2005	7.56	1 : 1.02245	16.441	31 May 2006	31 May 2010
ESOP - Grant V	31 May 2006	10.03	1 : 1.00000	11.870	31 May 2007	31 May 2011

Movements in the number of warrants outstanding for the three-month period ended 31 March 2009 are as follows:

	Opening balance	Issue during the period	Exercise during the period	Expired during the period	Closing balance
	<i>(in thousand unit)</i>				
<b>ESOP - Grant III</b>					
Directors	1,754	-	-	-	1,754
Employees	4,140	-	-	-	4,140
<b>Total</b>	<b>5,894</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,894</b>
<b>ESOP - Grant IV</b>					
Directors	2,967	-	-	-	2,967
Employees	4,595	-	-	-	4,595
<b>Total</b>	<b>7,562</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,562</b>
<b>ESOP - Grant V</b>					
Directors	1,099	-	-	-	1,099
Employees	8,934	-	-	-	8,934
<b>Total</b>	<b>10,033</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,033</b>
<b>Grand Total</b>	<b>23,489</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,489</b>

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**9 Segment information**

Segment information is presented in respect of the Group's business and geographic segments. The primary format, business segments / geographic segments is based on the Group's management and internal reporting structure.

***Business segments***

The Group comprises the following main business segments:

Segment 1	Services relating to the satellite business and the transponder services segment
Segment 2	Sales and services relating to the Internet and media business
Segment 3	Sales and services relating to the telephone network business in Cambodia and the Lao People's Democratic Republic.
Segment 4	Others

***Geographic segments***

In presenting information on the basis of geographical segments, segment revenue is based on the geographic location of customers.

The areas of operation in Thailand are principally satellite business services, internet and media services and printing and publishing of business telephone directories services. Cambodia and Lao PDRs' main activities are sales and services relating to telephone network business and satellite business services. Australia main activities are sales and services relating to satellite business.

The following are the main geographical locations:

Segment 1	Thailand
Segment 2	Cambodia
Segment 3	The Lao People's Democratic Republic
Segment 4	Australia
Segment 5	Others

Revenue and results, based on business segments, in the consolidated financial statements for the three-month periods ended 31 March 2009 and 2008 were as follows:

	2009	2008
	<i>(in thousand Baht)</i>	
<b><i>Segment revenue</i></b>		
Satellite business services	1,093,682	1,369,721
Internet services	88,610	83,921
Telephone network	591,893	422,996
Share of profit from associate	25,837	26,691
Eliminations	(15,758)	(19,331)
<b>Total</b>	<b><u>1,784,264</u></b>	<b><u>1,883,998</u></b>
<b><i>Segment results</i></b>		
Satellite business services	(220,449)	(183,249)
Internet services	20,180	27,451
Telephone network	151,994	164,496
Other segments	(43,807)	(18,860)
Eliminations	(2,961)	(1,561)
<b>Total</b>	<b><u>(95,043)</u></b>	<b><u>(11,723)</u></b>

**Thaicom Public Company Limited and its Subsidiaries**  
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Revenue and results, based on geographical segments, in the consolidated financial statements for the three-month periods ended 31 March 2009 and 2008 were as follows:

	2009	2008
	<i>(in thousand Baht)</i>	
<b><i>Segment revenue</i></b>		
Thailand	584,081	742,492
Cambodia	453,172	292,760
Lao PDR	200,423	191,933
Australia	314,663	435,419
Others	231,925	221,394
<b>Total</b>	<b><u>1,784,264</u></b>	<b><u>1,883,998</u></b>
<b><i>Segment results</i></b>		
Thailand	(153,164)	(217,894)
Cambodia	101,596	104,150
Lao PDR	57,465	58,586
Australia	(9,867)	95,591
Others	(91,073)	(52,156)
<b>Total</b>	<b><u>(95,043)</u></b>	<b><u>(11,723)</u></b>

## 10 Earnings (loss) per share

### *Basic earnings (loss) per share*

The calculation of basic earnings (loss) per share for the three-month periods ended 31 March 2009 and 2008 was based on the net profit (loss) attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during each period as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in thousand Baht / in thousand shares)</i>			
Profit (loss) for the period	<u>(220,292)</u>	<u>280,765</u>	<u>(293,818)</u>	<u>95,371</u>
<b>Profit (loss) attributable to equity holders of the Company (basic)</b>	<b><u>(220,292)</u></b>	<b><u>280,765</u></b>	<b><u>(293,818)</u></b>	<b><u>95,371</u></b>
Number of ordinary shares outstanding at 1 January	1,095,938	1,092,219	1,095,938	1,092,219
Effect of shares issued during the period	-	72	-	72
<b>Weighted average number of ordinary shares outstanding (basic)</b>	<b><u>1,095,938</u></b>	<b><u>1,092,291</u></b>	<b><u>1,095,938</u></b>	<b><u>1,092,291</u></b>
<b>Earnings (loss) per share (basic) (in Baht)</b>	<b><u>(0.20)</u></b>	<b><u>0.26</u></b>	<b><u>(0.27)</u></b>	<b><u>0.09</u></b>

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*Diluted earnings (loss) per share*

The calculation of diluted earnings (loss) per share for the three-month periods ended 31 March 2009 and 2008 was based on the net profit (loss) for the period attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in thousand Baht / in thousand shares)</i>			
Profit (loss) attributable to equity holders of the Company (basic)	<u>(220,292)</u>	<u>280,765</u>	<u>(293,818)</u>	<u>95,371</u>
<b>Profit (loss) attributable to equity holders of the Company (diluted)</b>	<b><u>(220,292)</u></b>	<b><u>280,765</u></b>	<b><u>(293,818)</u></b>	<b><u>95,371</u></b>
Weighted average number of ordinary shares outstanding (basic)	1,095,938	1,092,291	1,095,938	1,092,291
Effect of shares warrants on issue	<u>-</u>	<u>1,260</u>	<u>-</u>	<u>1,260</u>
<b>Weighted average number of ordinary shares outstanding (diluted)</b>	<b><u>1,095,938</u></b>	<b><u>1,093,551</u></b>	<b><u>1,095,938</u></b>	<b><u>1,093,551</u></b>
<b>Earnings (loss) per share (diluted)</b> <i>(in Baht)</i>	<b><u>(0.20)</u></b>	<b><u>0.26</u></b>	<b><u>(0.27)</u></b>	<b><u>0.09</u></b>

**11 Commitments with non-related parties**

**a) Agreement for operation of domestic communication satellite**

The Company was permitted by the Ministry of Transport and Communications, under an agreement dated 11 September 1991 and an amendment thereto dated 22 March 1992, to operate and administer certain satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a thirty-year period, service charges from users of the transponders. The agreements for operation have been transferred to the Ministry of Information Communication and Technology (“MICT”).

Under the aforementioned agreement, the Company must pay an annual fee to MICT based on a percentage of certain service incomes or at the minimum level specified in the agreement, whichever is higher. As at 31 March 2009, the remaining minimum fee is Baht 905 million. In addition, the Company, according to the aforementioned agreement, must transfer its ownership of all satellites, and monitoring stations and other operating equipments to MICT on the date of completion of construction and installation.

**b) Assets transfer commitment under telephone network agreement in Cambodia**

Mfone Company Limited (“Mfone”), a jointly-controlled entity in Cambodia, has obtained agreements for operation from the Directorate of Posts and Telecommunications of Cambodia to operate a domestic telephone network under an agreement dated 4 March 1993 and an amendment thereto dated 4 March 1997, for a period of 35 years. Under the agreement, Mfone will transfer its ownership of all fixed assets to the Government of Cambodia on the expiration date of the agreement in 2028 (Note 6).

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**c) Shareholder agreement**

Lao Telecommunications Company Limited (“LTC”) is a joint venture, which was established under the terms of a Joint Venture Contract dated 8 October 1996, signed by the Government of the Lao People’s Democratic Republic and Shinawatra Computer and Communications Public Company Limited, the former name of Shin Corporation Public Company Limited. According to the aforementioned Joint Venture Contract, LTC has the right to provide telecommunication services - fixed line phone, mobile phone, international facilities, internet and paging - within the Lao PDR for 25 years. Currently, Shenington Investments Pte Company Limited, which is a jointly-controlled entities of the Company, owns 49% of LTC’s registered shares. At the end of the 25th year, in 2021, the Group has to transfer all of LTC’s shares to the Government of the Lao People’s Democratic Republic without any charges (Note 5). According to the shareholder agreement, LTC is required to invest at least USD 400 million in the projects specified in the agreement within 25 years. As at 31 March 2009, LTC has remaining additional investment of approximately USD 142.24 million (*31 December 2008: USD 149 million*).

**d) Agreements for operation of a subsidiary company and associated companies for the satellite uplink-downlink and Satellite Internet services and Internet services in Thailand**

CS Loxinfo Public Company Limited (“CSL”), which is an associate of the Company, entered into agreements for operation with CAT Telecom Public Company Limited (“CAT”) for a period of 22 years from 9 August 1994 to 8 August 2016 to provide satellite uplink-downlink and internet services.

Currently, the National Telecommunications Commission (“NTC”) is responsible for granting licenses to provide internet access services in Thailand. DTV Service Company Limited, a company’s subsidiary and CSL operate the business to provide internet and telecommunication services under licenses granted by NTC as follow:

<b>Type of license</b>	<b>Issued Date</b>	<b>Period</b>
<b>License of DTV Service Company Limited</b>		
Internet Operation License Type I	18 October 2008	1 year
<b>Licenses of CSL</b>		
Internet Operation License Type II	26 April 2007	5 years
Internet Operation License Type I	8 September 2008	1 year
Telecom Operation License Type I	11 October 2008	1 year
Telecom Operation License Type III	20 December 2007	15 years

**e) Obligation under “Financing and Project Agreement”**

Lao Telecommunications Company Limited (“LTC”) entered into a “Financing and Project Agreement” with the government of the Lao People’s Democratic Republic (“government”) and an organisation in Germany (KfW, Frankfurt am Main) on 25 October 2004 of an amount not exceeding Euro 6.5 million (approximately Baht 322.5 million) for the procurement and installation of Phase VI of a rural telecommunication network. Under the agreement, the ownership of network assets will be transferred to LTC through loan at 30% of the network assets’ value excluding consulting services project. However, LTC has not yet recognised the network assets relating to Phase VI and the related portion of the loan in these interim financial statements because the project has not commenced yet.

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**f) Capital commitment**

At 31 March 2009, Shennington Group has capital commitment according to the percentage of share hold by the Group amount of USD 34.75 million (approximately Baht 1,239 million) (31 December 2008: USD 15.4 million; approximately Baht 540 million).

**g) Obligation from shares buy back options**

On 23 October 2003, the Company and Codespace Inc. entered into a “Memorandum of Agreement”, which provides Codespace Inc. an option to sell 2.2 million shares of iPSTAR Co., Ltd. to the Company, with the condition that the Company has the first option to purchase these shares. If the offered price per share is greater than the higher of USD 1 or fair market value at offering date, the Company has the right to refuse. If the offered price per share is equal to the higher of USD 1 or fair market value at offering date, the Company has to purchase those shares from Codespace Inc. The Company believes that Codespace Inc. will not exercise the option because according to the result of the financial analysis of the Company, the value per share of iPSTAR Co., Ltd.’s shares is higher than USD 1. Therefore, the Company does not recognise this obligation as its liabilities in these interim financial statements. As of 31 March 2009, the remaining share option was 0.63 million shares (31 December 2008: 0.63 million shares).

**h) Operating lease commitments**

As at 31 March 2009 and 31 December 2008, the Group has future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Currency	Consolidated financial statements		Separate financial statements	
		31 March 2009	31 December 2008	31 March 2009	31 December 2008
		<i>(in thousand)</i>			
Within one year	THB	20,409	95,818	20,409	95,818
	USD	6,037	6,542	4,543	5,048
	KIP	-	14,043	-	-
Total equivalent Baht		<u>235,693</u>	<u>325,400</u>	<u>182,411</u>	<u>272,927</u>
After one year but within five years	THB	24,454	26,206	24,454	26,206
	USD	9,826	10,986	4,402	5,561
	KIP	6,638	44,557	-	-
Total equivalent Baht		<u>374,919</u>	<u>411,789</u>	<u>181,438</u>	<u>221,302</u>
After five years	THB	21,993	29,499	21,993	29,499
	USD	3,709	3,709	-	-
	KIP	190,269	198,747	-	-
Total equivalent Baht		<u>155,064</u>	<u>160,432</u>	<u>21,993</u>	<u>29,499</u>
<b>Grand total equivalent Baht</b>		<b><u>765,676</u></b>	<b><u>897,621</u></b>	<b><u>385,842</u></b>	<b><u>523,728</u></b>

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**12 Contingent liabilities**

**a) Bank guarantees and letters of credit**

The Group had contingencies with banks, whereby the banks issued letters of guarantee, letters of credit and other guarantees in respect of business contracts, for the following amounts:

	Currency	Consolidated financial statements		Separate financial statements	
		31 March 2009	31 December 2008	31 March 2009	31 December 2008
		<i>(in thousand)</i>			
Minimum operating agreement fee payable to Ministry of Information					
Communication and Technology	THB	106,000	80,000	106,000	80,000
IPSTAR equipment sales	THB	27,552	27,482	27,502	27,482
Satellite space leasing by customers	USD	281	281	281	281
	THB	488,772	487,000	488,414	487,000
IPSTAR Gateway	USD	379	379	379	379
Standby letters of credit	USD	43,030	43,584	43,030	43,584
Letters of credit	USD	250	-	-	-
Others	THB	3,675	3,322	3,322	3,322

**b) Assessment for income tax in India**

The Tax Authority in India ('the said Authority'), has held that the payments received by the Company for providing Transponder Services ('TPS') to its Indian Customers and non-resident customers targeting Indian audience ('the Customer') was Royalty under both the Indian Income Tax Act ('the Act'), and the Double Taxation Avoidance Agreement between Thailand and India ('the DTAA') and subject to withholding tax at the rate of 15% on gross basis. As the Company consideration Transponder Services are the business income, however, the Company does not have permanent establishment in India, then the service incomes are not subject to Indian income tax. The Company did not agree with the decision of the said Authority and followed the appeal process as provided under the Act.

In view of the above, the said Authority has raised the tax demand including surcharge and education cess aggregating to Rs. 612.1 million (approximately Baht 400 million) exclusive of interest amounting to Rs. 92.7 million (approximately Baht 61 million) against the said payment received by it from the customers for the Assessment Year ('AY') 1998-99 to 2005-06 (1 April 1997 to 31 March 2005). Further, the said Authority has also levied penalty of Rs. 324.9 million (approximately Baht 212 million) for AY 1998-99 to 2001-02.

From Authority's letter dated 22 August 2008, the Authority had asked for payment the demand above including interest for late payment amounting to Rs. 83.2 million (approximately Baht 54 million) (calculated up to the ended of August 2008). And from Authority's letter dated 3 December 2008, the authority raised the tax demand for AY 2006-07 including related interest amounting to Rs. 22.6 million (approximately Baht 15 million)

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The Company had received Withholding Tax Certificates ('WTC') from its Customers until AY 2007-08 net amounting to Rs. 487.9 million (approximately Baht 319 million). The Company had also deposited Rs. 405.3 million (approximately Baht 265 million). In February 2009, the Company paid additional deposit Rs. 22.6 million (approximately Baht 15 million). As the result, deposit is totally Rs. 427.9 million (approximately Baht 280 million). The Company presents the deposit as non-current assets in the Balance Sheet.

Since the management and Tax Advisor in India are of the opinion that the income from the TPS is not subject to Tax in India, the Company did not make any provision for the liability against the balance amount of Rs.219.6 million (approximately Baht 144 million), payable to the said Authority.

If the Company receives favorable Order from the Appellate Authority (ies) of India, the entire amount which includes withholding tax together with its interest and deposits with interests shall be refunded and if the Company can show that there is no concealment of income, the penalty imposed by the Authority for the AY 1998-99 to 2001-02 would be set aside. Similarly, in case of adverse Order, out of the total tax liability demanded by ITA of Rs. 1,135.5 million (approximately Baht 742 million) which will be charged as expense immediately, the Company will be requested to make payment for the balance amount of Rs. 219.6 million (approximately Baht 144 million) as stated above with interest at the highest rates of which is not exceeding 1% per month starting from the last day specified for making payment in the notice till date of tax payment. However, even if the Appellate Authority decides that the income from TPS is a royalty but the Company did not conceal any income or intentionally declare incorrect income in its income tax returns, the Appellate Authority may decide to set aside the penalty imposed by the Authority on the Company.

### **13 Events after the balance sheet date**

#### **Increase of share capital of Cambodian DTV Network Company Limited**

On 10 April 2009, Cambodian DTV Network Company Limited ("CDN") registered additional capital with the Ministry of Commerce of Cambodia for Cambodian Riel 2,000 million (USD 500,000) from registered share capital Cambodian Riel 400 million (USD 100,000), divided into 1,000 shares of Cambodian Riel 400,000 each (USD 100) to be registered share capital of Cambodian Reil 2,400 million (USD 600,000), divided into 1,000 shares of Cambodian Riel 2,400,000 each (USD 600).

**Thaicom Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2009 (Unaudited)**

**14 Reclassification of accounts**

Certain accounts in the statement of income for the three-months period ended 31 March 2008 have been reclassified to conform to the presentation in the 2009 interim financial statements as follows:

	<b>2551</b>		
	<b>Consolidated financial statements</b>		
	Before Reclass	Reclass	After Reclass
	<i>(Thousand Baht)</i>		
<b><i>Statement of Income</i></b>			
Selling and administrative expenses	356,586	(356,586)	-
Selling expenses	-	50,696	50,696
Administrative expenses	-	264,606	264,606
Directors and management benefit expenses	2,033	25,649	27,682
Finance costs	-	147,935	147,935
Interest expenses	132,300	<u>(132,300)</u>	-
		<u>-</u>	

	<b>2551</b>		
	<b>Separate financial statements</b>		
	Before Reclass	Reclass	After Reclass
	<i>(Thousand Baht)</i>		
<b><i>Statement of Income</i></b>			
Selling and administrative expenses	222,938	(222,938)	-
Selling expenses	-	30,178	30,178
Administrative expenses	-	152,187	152,187
Directors and management benefit expenses	1,905	25,649	27,554
Finance costs	-	125,751	125,751
Interest expenses	110,827	<u>(110,827)</u>	-
		<u>-</u>	

The reclassifications have been made to comply with the classification set out in the Pronouncement of the Department of Business Development *Re: Determination of items in the financial statements B.E. 2552* dated 30 January 2009.