

Annual General Meeting 2012

29 March 2012

Ballroom, Centara Grand at Central Ladprao – Bangkok

To acknowledge the
report on the Company's
operating results for the
fiscal year 2011



AGENDA

- **Initiatives for Growth**
- **Key Achievements 2011**
- **Financial Highlights**
- **Industry Outlook**
- **Moving Forward**
- **Our Commitment**

Initiatives for Growth

Reposition Business Direction

- *Focus IPSTAR sales effort on wholesale and corporate markets versus the retail market*
- *Focus on 3 main market segments for IPSTAR:*
 - 1) *Telco Backhaul & Enterprise*
 - 2) *Government & USO programs*
 - 3) *Disaster Management*
- *Optimization of capacity and yield on Conventional Satellite business*
- *Create end-2-end managed service platforms for value creation*

Initiatives for Growth

Strengthen the organization and operations for growth

- *Reorganization of the company's management structure to be function-based versus product-based*
- *Strengthening of management processes of the overseas subsidiaries and representative offices*
- *Design and implementation of Sales Incentive Scheme to align company's revenue growth with the sales force*

Initiatives for Growth

Strategic Partnerships to create new opportunities

Investment

- *Successfully partnered with AsiaSat to launch Thaicom-7 satellite using asset-light business model.*

Technology

- *Collaboration with leading hardware vendors through open platform strategy*

Business Model

- *Partnerships with regional and global telcos to provide end-2-end managed service*

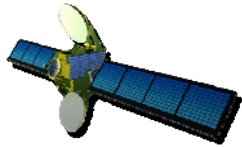
Initiatives for Growth

Streamline Portfolio Management for improved returns

- *Enhance business model of subsidiaries*
- *Implement tax optimization of overseas operations*
- *Control costs and manage expenses*

Key Achievements

Key Achievements in 2011 - Conventional Satellite Business



THAICOM-6 to reinforce our “hot bird” positioning at 78.5°E

- *Received approval from MICT to build and launch TC-6 in 2013*
- *Complement THAICOM 5 to strengthen broadcast coverage with an additional 26 transponders to fulfill pent-up demand*
- *Expand into new markets in South Asia & Africa*



THAICOM-7 to provide future growth

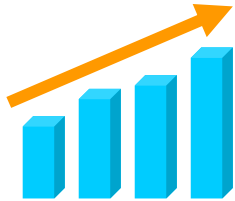
- *Successfully cooperated with AsiaSat to preserve the 120°E orbital slot*
- *Potentially the first THAICOM satellite to be under the new NBTC licensing scheme*
- *First satellite based on “asset-light” investment model*



“Hot Bird” strategy on the right track

- *Total of 427 TV channels on TC-5*
- *70 new channels added in Y2011*

IPSTAR Satellite Business – Strong Momentum



Strong YoY revenue growth

- *IPSTAR sales & services revenue grew 38.4% from Y2010 to Y2011*



Big IPSTAR bandwidth contracts commence

- *Contracts were signed with Australian NBN and Malaysian MEASAT, and started realizing bandwidth revenue from them in Q4*



SoftBank

Nearly doubled revenues from Japan

- *SoftBank successfully deployed over 3,000 small-cell mobile stations through IPSTAR*
- *Recognized additional bandwidth revenue from a major Telco in Japan*



Strong gateway and user terminal sales

- *Received revenue from gateway sales in Malaysia, Japan and Australia*
- *Signed contract with BayCity of New Zealand for 4,000 UT sales within 2012 (increase user base by 40%)*

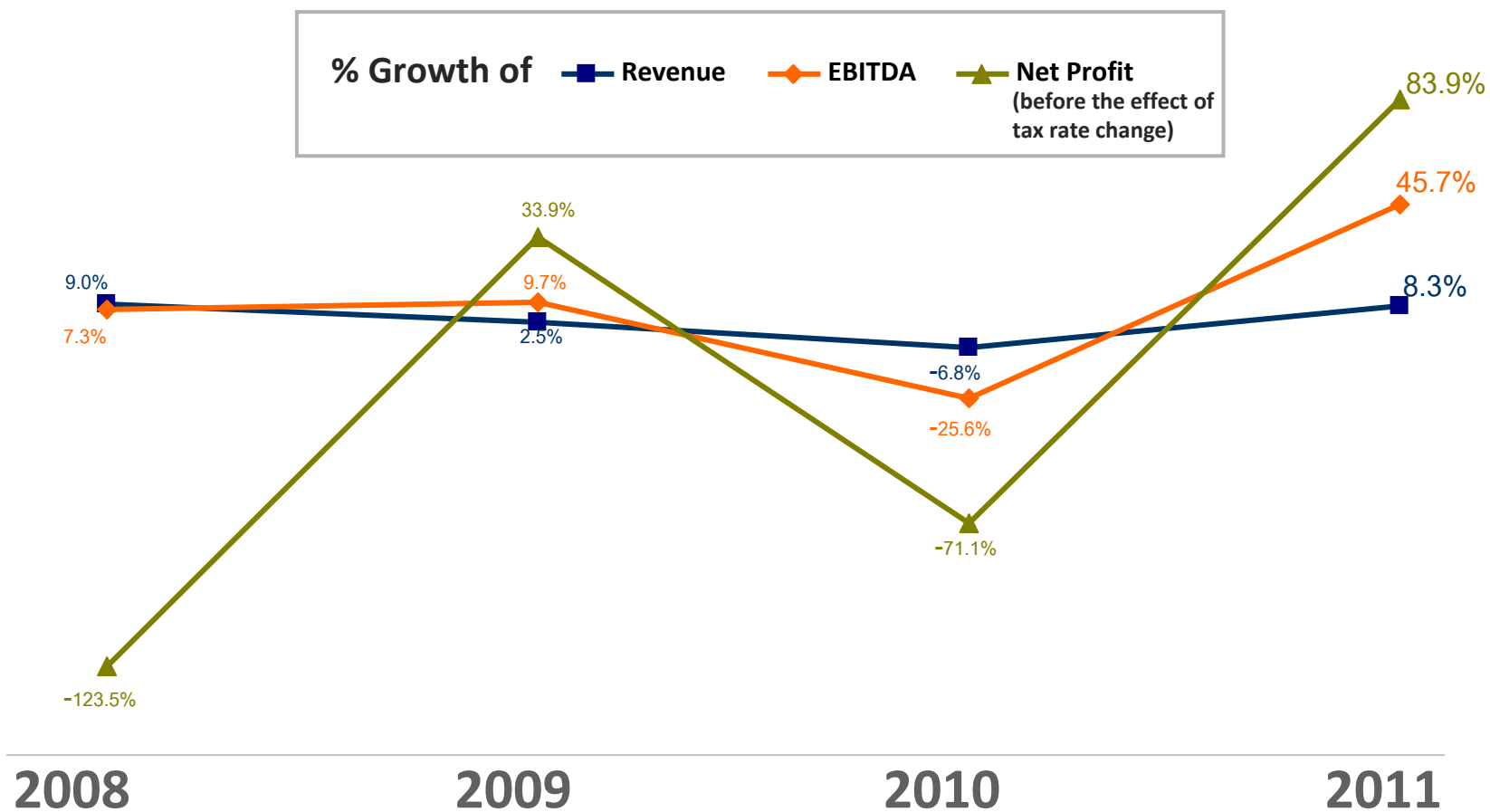
Operational and Financial Highlights

Impressive Satellites Performances in 2011



	Q1/11	Q2/11	Q3/11	Q4/11	YoY
Satellite Revenue	↓	↑	↑	↑	↑ 23.6%
- Conventional Services	↑	↑	↑	↑	↑ 7.3%
- IPSTAR Services	↑	↑	↑	↑	↑ 59.1%
- IPSTAR Sales	↓	↑	↓	↓	↓ 7.8%
EBITDA	↑	↑	↑	↑	↑ 72.1%
Utilization Rate					
- Conventional	↑	↑	↑	↑	↑
- IPSTAR	↑	↑	↑	↑	↑

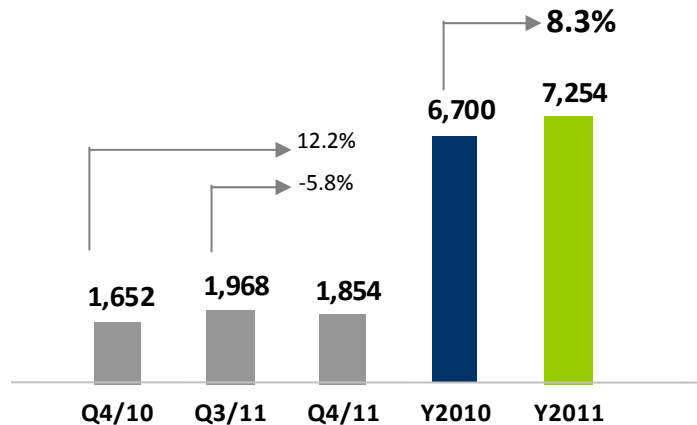
Turnaround for GROWTH in 2011



Turn to positive net profit in the 2nd half of 2011

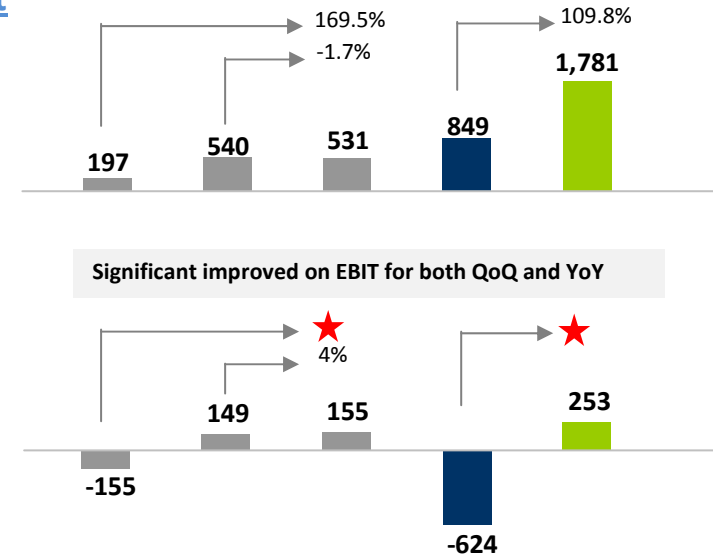


Sales & Services Revenues



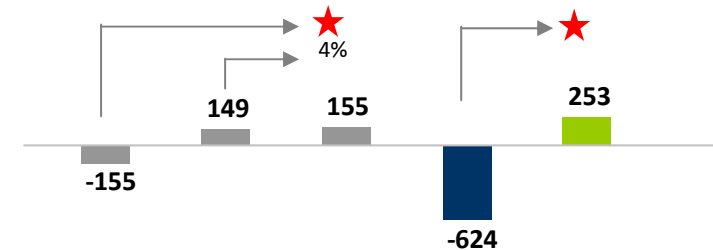
Gross Profit

Unit : MTHB

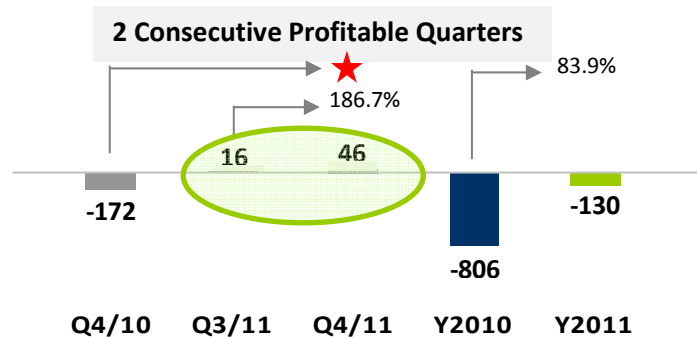


EBIT

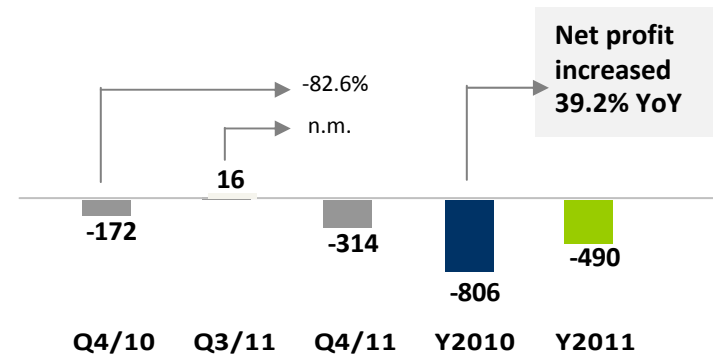
Significant improved on EBIT for both QoQ and YoY



Net Profit (before the effect of tax rate change)*



Net Profit



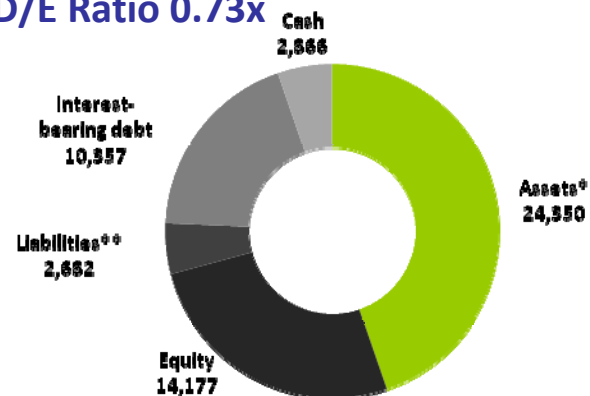
*Deferred tax amount of 360 MB. was the effect from tax rate change.

★ : Significant Improvement

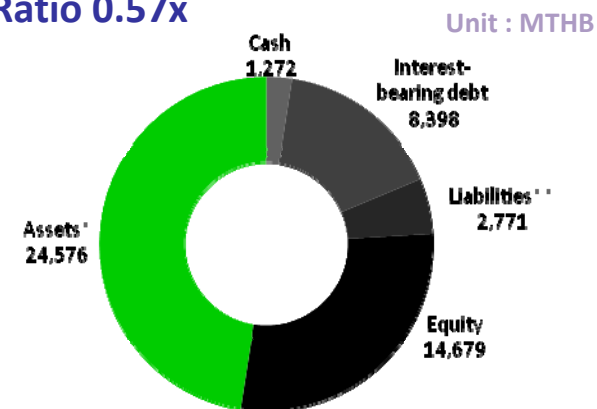
IPSTAR Drives Increase in EBITDA and Cash Flow



D/E Ratio 0.73x

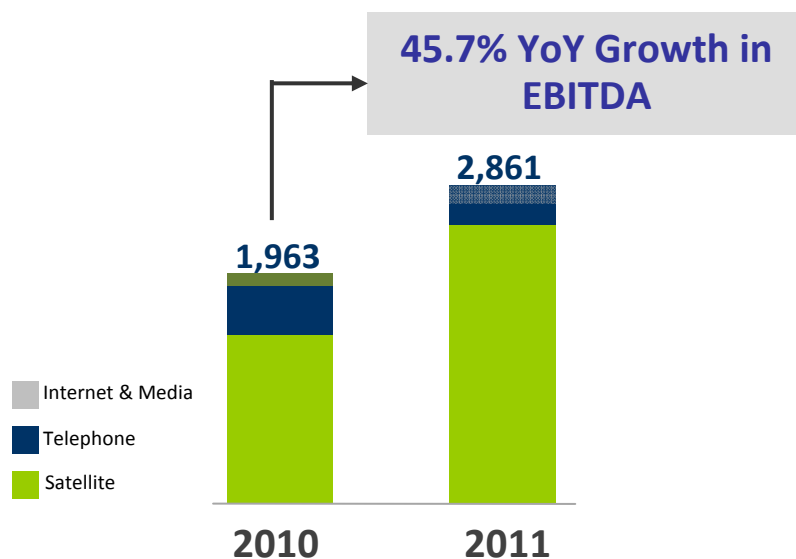


D/E Ratio 0.57x



2011 ← 2010

* Exclude Cash
** Exclude Interest-Bearing Debt

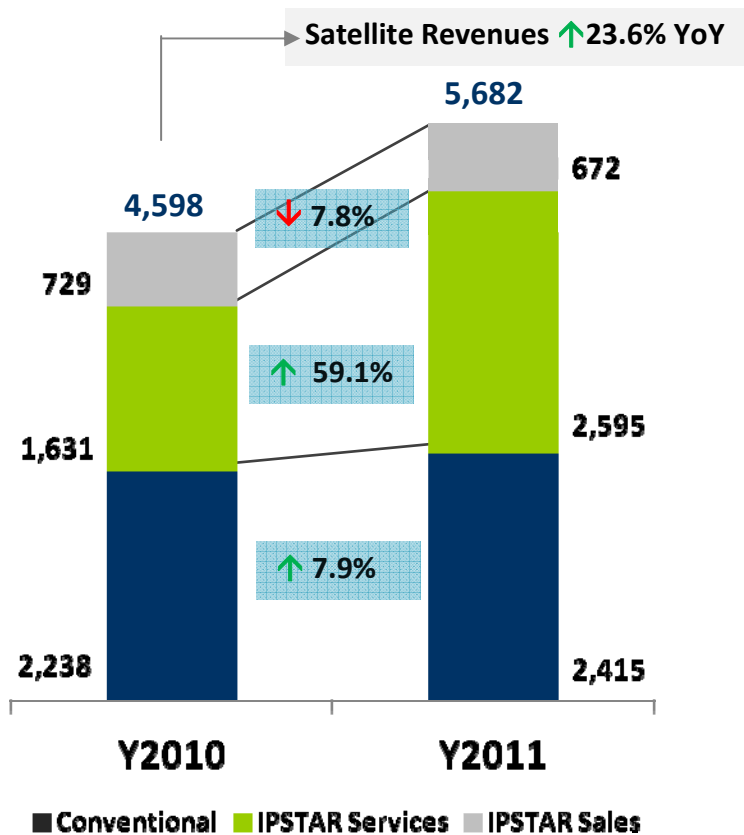


Unit : MTHB

65.7% Growth in Cash Flow from Operations

Consolidated CF	2010	2011
CF from Operating	1,835	3,038
CF from Investing	(571)	(2,369)
CF from Financing	(786)	931
Cash Ending	1,271	2,866

Satellite Financial Highlights



Unit : MTHB

* Gain from sale of Malaysia gateway of 29 MB. was recorded in other income in 2011 audited financial statement.

- 59.1% YoY Growth in IPSTAR Services due to higher BW usage in Japan, India, Australia, Malaysia, and Myanmar
- Strategic move to open up bandwidth to 3rd party vendors has proven successful, increasing IPSTAR services revenue even though IPSTAR Sales revenue declined
- Conventional services steadily grew at 7.9% even though only Thaicom 5 was operational in 2011

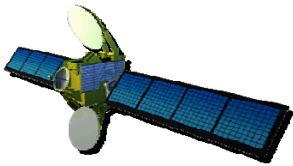
Industry Outlook



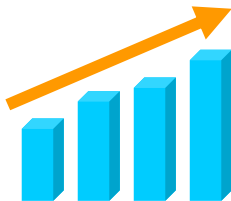
Conventional Satellite Business – Sector Outlook



- DTH, HD and 3D will continue to drive satellite transponder demand



- Cellular backhaul, internet connectivity, and enterprise and government services will drive demand in Africa

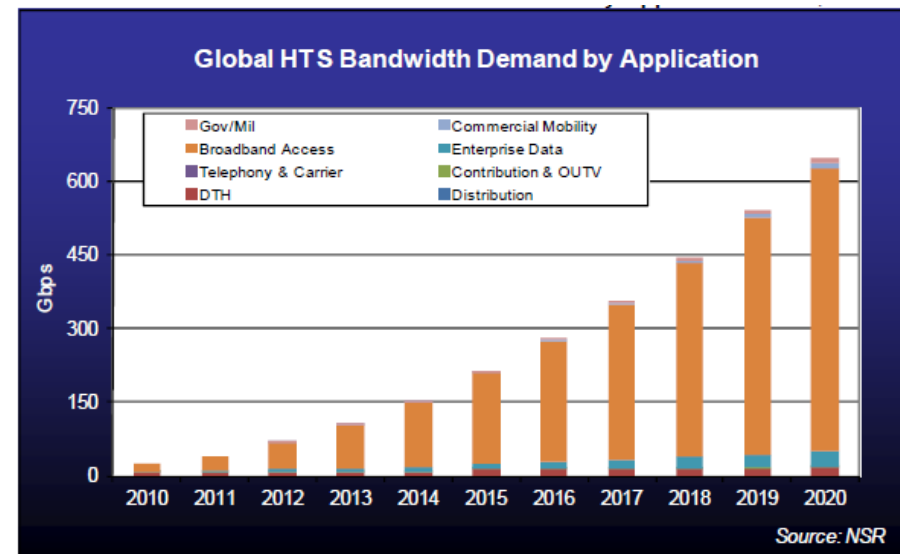
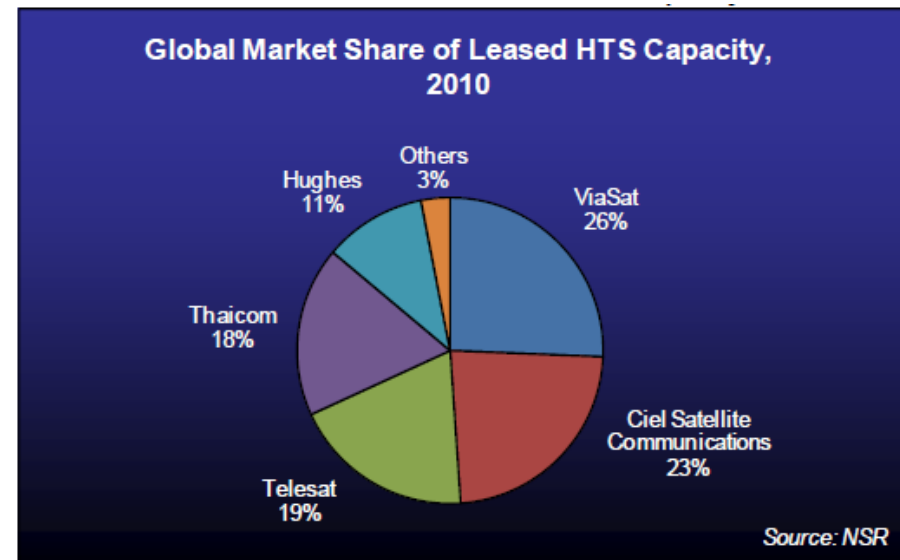


- Market prices will continue to increase for C-band services due to short supply

Broadband Satellite Business – Sector Outlook



- THAICOM has an 18% market share of the world's High Throughput Satellite (HTS) business
- Demand for HTS broadband will continue to grow, and in Asia Satellite Bandwidth Demand (consisting of Satellite Broadband Access, Broadband VSAT and Satellite Backhaul) will exceed 250 Gbps by year 2015
- THAICOM 4 (IPSTAR) will continue to be the sole provider of satellite broadband through HTS within Asia Pacific for the next 2 – 3 years



IPSTAR Satellite Business – Sector Outlook



- Increasing demand for mobile backhaul



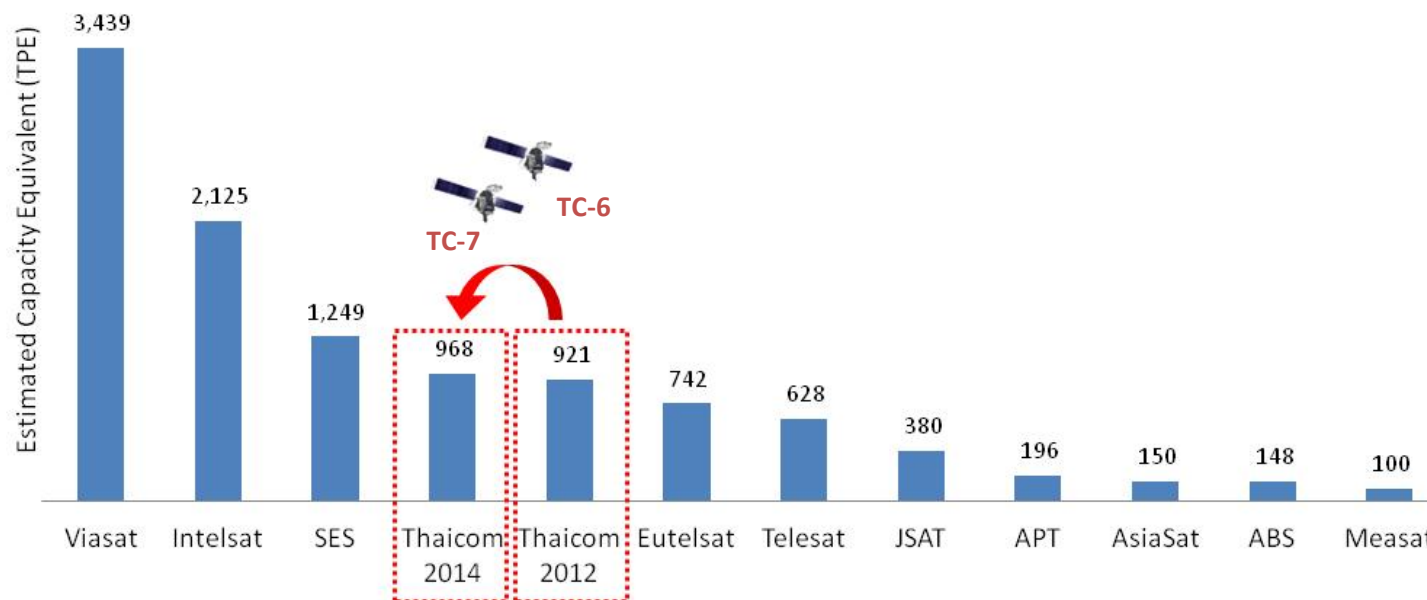
- More demand in the USO segment by governments



- Proven technology for disaster management applications

4th Largest Satellite Operator Globally (1st in Asia Pacific)

Satellite Operators' Bandwidth Capacity (Estimated)



* Thaicom capacity Y2012 includes THAICOM-4 (IPSTAR) and THAICOM-5 satellites

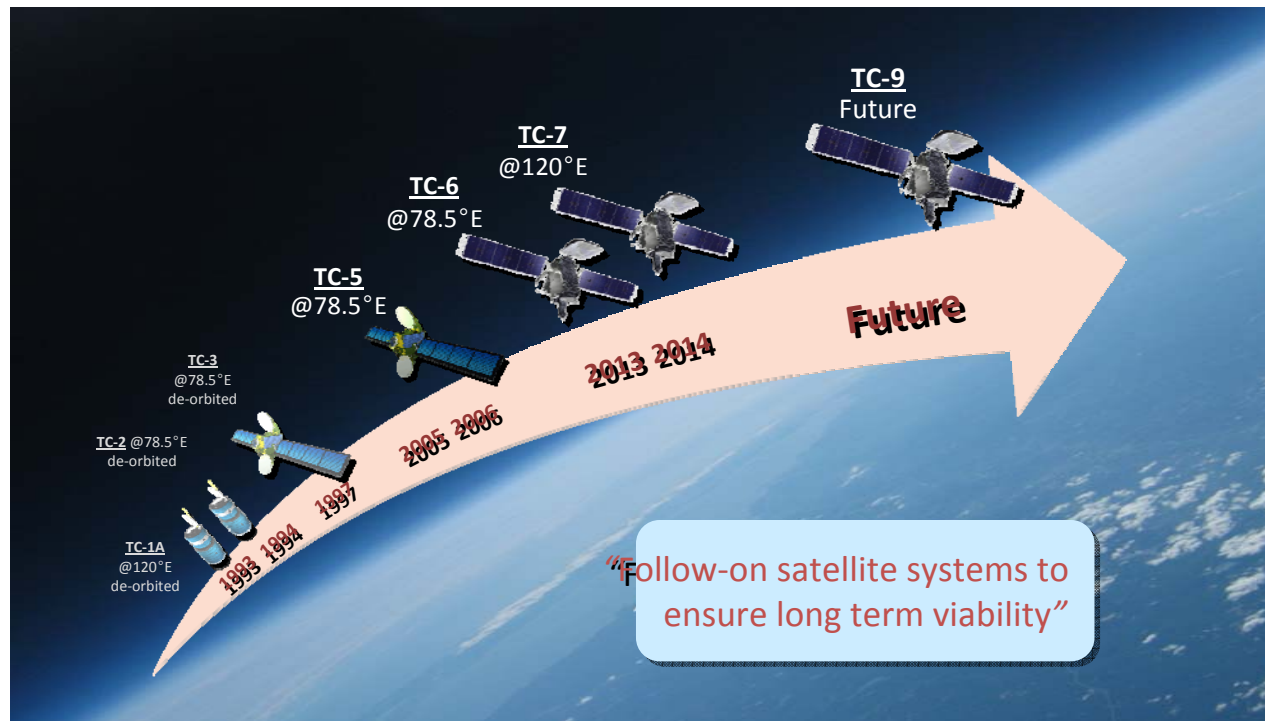
** Thaicom capacity Y2014 includes THAICOM-4 (IPSTAR), THAICOM-5, THAICOM-6 and THAICOM-7 satellites

*** Other satellite operators' capacities (estimated) are as of Feb 2012

118% increase in THAICOM's Conventional Satellite Capacity by Y2014

Moving Forward

Conventional Satellite...Moving Forward



- *Pre-launch sales of THAICOM-6*

- *HDTV services to stimulate demand for THAICOM-6*

- *End-2-end broadcasting services*

* *USO: Universal Service Obligation*

IPSTAR...Moving Forward



Telco Backhaul & Enterprise



Government & USO* Program

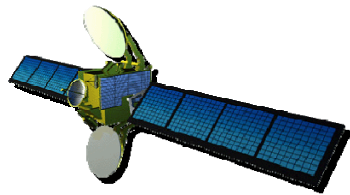


Disaster Management

- *Focus on three key market segments*
- *Create end-2-end managed service platforms for value creation*
- *Focus on bulk bandwidth sales in the emerging markets such as China, Indonesia and the Philippines*

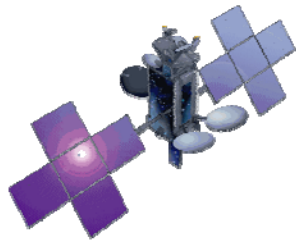
* USO: Universal Service Obligation

Strong start for 2012



Secured conventional satellite contracts worth ~80 MUSD for 2012

- *Equivalent to Conventional satellite services revenue in Y2011*



Secured IPSTAR bandwidth contracts worth ~100 MUSD for 2012

- *An increase of ~15% from Y2011's revenues*
- *Continued demand and new end-2-end solutions will further enhance growth in Y2012*



Our Commitment to Contribute

to society

to shareholders

Corporate Social Responsibility Awards



Corporate Social Responsibility
Award from the World Teleport
Association (2011)

Corporate Social Responsibility Activities



Thai Kids THAICOM

- *Installation of 999 satellite dishes and tv sets in schools throughout the country*
- *Launch of Second Phase Thai Kids THAICOM to install an additional 999 satellite dish sets*
- *Implemented the “Schools as Sustainable Knowledge Centers” project with 2 pilot schools*
- *Flood relief efforts through provision of emergency essentials*
- *Donation of bookshelves to schools under the “THAICOM Book Corner” project*
- *Promote volunteering by providing training to youth volunteers on satellite dish installation*





2010/2011 Board of the Year Award for Distinctive Practices (2012)



Thank You