

**Thaicom Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month period ended
31 March 2015

and

Independent auditor's report
on review of interim financial information

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Thaicom Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Thaicom Public Company Limited and its subsidiaries, and of Thaicom Public Company Limited, respectively, as at 31 March 2015; the consolidated and separate statements of income and comprehensive income for the three-month period ended 31 March 2015 and the consolidated and separate changes in equity and cash flows for the three-month period ended 31 March 2015; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”.

(Supot Singhasaneh)
Certified Public Accountant
Registration No. 2826

KPMG Phoomchai Audit Ltd.
Bangkok
7 May 2015

Thaicom Public Company Limited and its Subsidiaries
Statements of financial position (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
Assets		31 March	31 December	31 March	31 December
		2015	2014	2015	2014
			(Restated)		
		<i>(in thousand Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents		2,914,989	2,769,148	551,076	443,267
Current investments	5	1,640,511	1,736,196	800,000	800,000
Trade and other accounts receivable	6	1,995,150	1,946,174	1,263,941	1,124,232
Amounts due from related parties	4	50,264	71,227	83,210	141,707
Short-term loan to a joint venture	4	246,227	291,144	246,227	291,144
Inventories		230,410	236,495	167,267	155,494
Other current assets		17,926	21,241	18,786	16,096
Total current assets		7,095,477	7,071,625	3,130,507	2,971,940
<i>Non-current assets</i>					
Long-term loans to subsidiaries	4	-	-	8,912	9,844
Investments in subsidiaries	7	-	-	1,913,540	1,913,540
Investments in a joint venture	7	1,096,944	1,082,914	137,639	137,639
Property, plant and equipment	8	8,241,731	8,352,631	7,271,920	7,346,225
Intangible assets under operating agreement	8	12,750,601	13,249,341	12,750,601	13,249,341
Deferred charges	8	35,987	44,364	36,270	44,691
Intangible assets	8	910,518	966,818	591,439	615,261
Deferred tax assets		214,963	248,168	98,344	121,229
Other non-current assets		909,465	871,852	881,644	844,082
Total non-current assets		24,160,209	24,816,088	23,690,309	24,281,852
Total assets		31,255,686	31,887,713	26,820,816	27,253,792

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries
Statements of financial position (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		31 March 2015	31 December 2014 (Restated)	31 March 2015	31 December 2014
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	10	615,814	871,105	365,814	641,105
Trade and other accounts payable		1,618,770	1,060,951	1,092,064	497,918
Accounts payable - property and equipment		150,598	173,001	135,806	157,851
Amounts due to related parties	4	3,330	280	3,445	32,819
Current portion of long-term loans	10	631,503	639,536	569,819	577,777
Advance receipts from customers		402,603	783,381	463,151	689,883
Accrued operating agreement fee		519,516	285,699	519,516	285,699
Income tax payable		144,418	53,616	68,745	-
Other current liabilities		83,869	118,383	48,737	70,953
Total current liabilities		4,170,421	3,985,952	3,267,097	2,954,005
Non-current liabilities					
Long-term accounts payable - property and equipment		304,136	307,953	304,136	307,953
Long-term loans	10	9,249,298	9,590,329	9,085,291	9,426,067
Employee benefits obligations	9	347,799	337,041	206,413	199,067
Other non-current liabilities		380,248	381,809	354,077	354,836
Total non-current liabilities		10,281,481	10,617,132	9,949,917	10,287,923
Total liabilities		14,451,902	14,603,084	13,217,014	13,241,928
Equity					
Share capital	11				
Authorised share capital		5,489,086	5,489,086	5,489,086	5,489,086
Issued and paid-up share capital		5,479,688	5,479,688	5,479,688	5,479,688
Premium on ordinary shares	11	4,301,990	4,301,990	4,301,990	4,301,990
Retained earnings					
Appropriated					
Legal reserve		544,155	544,155	544,155	544,155
Unappropriated		5,297,617	5,469,863	3,266,326	3,676,733
Other components of equity		791,005	1,091,666	11,643	9,298
Equity attributable to owners of the Company		16,414,455	16,887,362	13,603,802	14,011,864
Non-controlling interests		389,329	397,267	-	-
Total equity		16,803,784	17,284,629	13,603,802	14,011,864
Total liabilities and equity		31,255,686	31,887,713	26,820,816	27,253,792

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries
Statement of income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended 31 March		Three-month period ended 31 March	
		2015	2014 (Restated)	2015	2014
<i>(in thousand Baht)</i>					
Income	4				
Revenues from sale of goods and rendering of services		3,073,724	2,845,179	1,891,510	1,651,295
Construction revenue under operating agreement		-	167,884	-	167,884
Net foreign exchange gain		74,353	53,315	72,729	47,190
Other income		42,609	37,279	46,429	111,999
Total income		3,190,686	3,103,657	2,010,668	1,978,368
Expenses	4				
Cost of sale of goods and rendering of services		1,607,804	1,505,467	1,011,900	981,883
Construction cost under operating agreement		-	167,884	-	167,884
Operating agreements fee		251,535	242,298	251,535	242,298
Selling expenses		87,452	93,482	42,056	53,932
Administrative expenses		446,188	426,527	216,770	180,469
Directors and management benefit expenses		27,418	25,591	20,030	19,481
Finance costs		82,083	85,775	74,794	81,209
Total expenses		2,502,480	2,547,024	1,617,085	1,727,156
Share of profit of investment in joint ventures	7	46,370	24,850	-	-
Profit before income tax expense					
from operations		734,576	581,483	393,583	251,212
Income tax expense		(146,817)	(114,184)	(91,631)	(47,557)
Profit for the period		587,759	467,299	301,952	203,655
Profit attributable to:					
Owners of the Company		540,113	398,946	301,952	203,655
Non-controlling interest		47,646	68,353	-	-
Profit for the period		587,759	467,299	301,952	203,655
Earnings per share	13				
Basic		0.49	0.36	0.28	0.19
Diluted		0.49	0.36	0.28	0.19

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended 31 March		Three-month period ended 31 March	
<i>Note</i>	2015	2014	2015	2014
		(Restated)		
		<i>(in thousand Baht)</i>		
Profit for the period	587,759	467,299	301,952	203,655
Other comprehensive income				
Foreign currency translation differences for foreign operations	(105,492)	(18,677)	-	-
Changes in fair value of available-for-sale investments	5 (197,992)	(34,626)	-	-
Other comprehensive income for the period, net of income tax	(303,484)	(53,303)	-	-
Total comprehensive income for the period	284,275	413,996	301,952	203,655
Total comprehensive income attributable to:				
Owners of the Company	237,107	346,076	301,952	203,655
Non-controlling interests	47,168	67,920	-	-
Total comprehensive income for the period	284,275	413,996	301,952	203,655

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries
Statements of changes in equity (Unaudited)

Consolidated financial statements														
	Retained earnings					Other components of equity					Equity attributable to owners of the Company		Non-controlling interests	Total equity
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in a subsidiaries	Currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity					
Note	(in thousand Baht)													
Three-month period ended 31 March 2014														
Balance at 1 January 2014 - as reported	5,479,688	4,301,990	493,237	4,413,069	2,432	331,457	(42,464)	563,663	855,088	15,543,072	38,391	15,581,463		
Impact of changes in accounting policies	3	-	-	-	-	-	-	-	-	-	707,317	707,317		
Balance at 1 January 2014 - restated	5,479,688	4,301,990	493,237	4,413,069	2,432	331,457	(42,464)	563,663	855,088	15,543,072	745,708	16,288,780		
Transactions with owners, recorded directly in equity														
Share-based payment transactions	11	-	-	-	1,042	-	-	-	1,042	1,042	-	1,042		
Dividends to owners	14	-	-	(493,172)	-	-	-	-	-	(493,172)	(120,545)	(613,717)		
Total transactions with owners, recorded directly in equity		-	-	(493,172)	1,042	-	-	-	1,042	(492,130)	(120,545)	(612,675)		
Comprehensive income for the period														
Profit		-	-	398,946	-	-	-	-	-	398,946	68,353	467,299		
Other comprehensive income		-	-	-	-	(18,244)	(34,626)	(52,870)	(52,870)	(52,870)	(433)	(53,303)		
Total comprehensive income for the period		-	-	398,946	-	(18,244)	(34,626)	(52,870)	346,076	67,920	413,996			
Balance at 31 March 2014		5,479,688	4,301,990	493,237	4,318,843	3,474	331,457	(60,708)	529,037	803,260	15,397,018	693,083	16,090,101	

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of changes in equity (Unaudited)

Consolidated financial statements													
(in thousand Baht)													
	Note	Retained earnings				Other components of equity					Equity attributable to owners of the Company	Non-controlling interests	Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in a subsidiaries	Currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity			
Three-month period ended 31 March 2015													
Balance at 1 January 2015		5,479,688	4,301,990	544,155	5,469,863	9,298	328,845	(45,877)	799,400	1,091,666	16,887,362	38,566	16,925,928
Impact of changes in accounting policies	3	-	-	-	-	-	-	-	-	-	-	358,701	358,701
Balance at 1 January 2015 - restated		5,479,688	4,301,990	544,155	5,469,863	9,298	328,845	(45,877)	799,400	1,091,666	16,887,362	397,267	17,284,629
Transactions with owners, recorded directly in equity													
Share-based payment transactions	11	-	-	-	-	2,345	-	-	-	2,345	2,345	-	2,345
Dividends to owners	14	-	-	-	(712,359)	-	-	-	-	-	(712,359)	(55,106)	(767,465)
Total transactions with owners, recorded directly in equity		-	-	-	(712,359)	2,345	-	-	-	2,345	(710,014)	(55,106)	(765,120)
Comprehensive income for the period													
Profit		-	-	-	540,113	-	-	-	-	-	540,113	47,646	587,759
Other comprehensive income		-	-	-	-	-	-	(105,014)	(197,992)	(303,006)	(303,006)	(478)	(303,484)
Total comprehensive income for the period		-	-	-	540,113	-	-	(105,014)	(197,992)	(303,006)	237,107	47,168	284,275
Balance at 31 March 2015		5,479,688	4,301,990	544,155	5,297,617	11,643	328,845	(150,891)	601,408	791,005	16,414,455	389,329	16,803,784

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Note	Issued and paid-up share capital	Share premium	Separate financial statements		Other reserve for share-based payment	Total equity
				Retained earnings			
				Legal reserve	Unappropriated		
				<i>(in thousand Baht)</i>			
Three-month period ended 31 March 2014							
Balance at 1 January 2014		5,479,688	4,301,990	493,237	3,202,467	2,432	13,479,814
Transactions with owners, recorded directly in equity							
Share-based payment transactions	11	-	-	-	-	1,042	1,042
Dividends to owners of the Company	14	-	-	-	(493,172)	-	(493,172)
Total transactions with owners, recorded directly in equity		-	-	-	(493,172)	1,042	(492,130)
Comprehensive income for the period							
Profit		-	-	-	203,655	-	203,655
Total comprehensive income for the period		-	-	-	203,655	-	203,655
Balance at 31 March 2014		5,479,688	4,301,990	493,237	2,912,950	3,474	13,191,339
Three-month period ended 31 March 2015							
Balance at 1 January 2015		5,479,688	4,301,990	544,155	3,676,733	9,298	14,011,864
Transactions with owners, recorded directly in equity							
Share-based payment transactions	11	-	-	-	-	2,345	2,345
Dividends to owners of the Company	14	-	-	-	(712,359)	-	(712,359)
Total transactions with owners, recorded directly in equity		-	-	-	(712,359)	2,345	(710,014)
Comprehensive income for the period							
Profit		-	-	-	301,952	-	301,952
Total comprehensive income for the period		-	-	-	301,952	-	301,952
Balance at 31 March 2015		5,479,688	4,301,990	544,155	3,266,326	11,643	13,603,802

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended 31 March		Three-month period ended 31 March	
		2015	2014	2015	2014
			(Restated)		
		(in thousand Baht)			
<i>Cash flows from operating activities</i>					
Profit for the period		540,113	398,946	301,952	203,655
<i>Adjustments for</i>					
Depreciation of property and equipment	8	153,855	107,392	96,958	54,153
Amortisation of intangible assets					
under operating agreements	8	498,740	443,419	498,740	443,419
Amortisation of deferred charges	8	8,377	1,247	8,421	1,096
Amortisation of intangible assets	8	36,771	31,358	23,904	22,851
(Reversal of) impairment losses on assets		26,774	(4,974)	24,993	-
Investment income		(11,473)	(16,935)	(8,795)	(74,071)
Share-base payment transactions		2,345	1,042	2,345	1,042
Finance cost		82,083	85,775	74,794	81,209
Gain on exchange rate		(96,545)	(57,998)	(76,151)	(63,124)
Amortisation of borrowing costs	10	263	611	263	611
Allowance for doubtful accounts	6	26,784	23,846	10,931	6,048
(Reversal of) allowance for obsolete inventory		(1,402)	11,878	(413)	(1,838)
(Gain) loss on disposal of property and equipment		(49)	4,308	(5)	(1)
Write-off property and equipment	8	627	1,240	128	963
Share of profits of investment in joint ventures	7	(46,370)	(24,850)	-	-
Profit attributable to non-controlling interest		47,646	68,353	-	-
Income tax expense		146,817	114,184	91,631	47,557
		<u>1,415,356</u>	<u>1,188,842</u>	<u>1,049,696</u>	<u>723,570</u>
<i>Changes in operating assets and liabilities</i>					
Trade and other accounts receivable		(51,680)	126,764	(145,722)	71,167
Amounts due from related parties		20,963	(11,756)	58,483	18,123
Inventories		9,253	(16,176)	(9,594)	1,157
Other current assets		(37,542)	40,172	(6,983)	6,894
Other non-current assets		(10,803)	(26,075)	(10,843)	(26,025)
Trade and other accounts payable		(105,447)	2,480	(161,720)	(127,675)
Amounts due to related parties		3,177	(1,091)	(29,248)	(9,028)
Advance receipts from customers		(380,797)	(337,117)	(226,733)	(326,032)
Accrued operating agreement fee		233,817	225,548	233,817	225,548
Other current liabilities		(181,015)	(134,992)	(22,044)	(23,028)
Other non-current liabilities		(2,576)	14,717	(1,774)	15,934
Employee benefit obligations	9	7,448	6,509	5,335	5,144
Income tax paid		(52,837)	(36,008)	(25,793)	(24,223)
Net cash from operating activities		<u>867,317</u>	<u>1,041,817</u>	<u>706,877</u>	<u>531,526</u>

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended 31 March		Three-month period ended 31 March	
Note	2015	2014	2015	2014
		(Restated)		
	<i>(in thousand Baht)</i>			
Cash flows from investing activities				
Interest received	6,669	8,558	4,853	6,812
Dividends received	-	22,387	-	22,387
Current investment	(104,000)	(17,610)	-	(17,610)
Payment for property and equipment	(75,397)	(278,855)	(44,611)	(165,715)
Proceeds from sale of property and equipment	174	3,149	40	7
Proceeds from short-term loan to related parties	41,836	-	42,657	-
Purchase of intangible assets	(1,159)	(5,705)	(82)	(1,919)
Net cash flow on acquisition of indirect subsidiary	-	(174,241)	-	-
Net cash from (used in) investing activities	(131,877)	(442,317)	2,857	(156,038)
Cash flows from financing activities				
Proceeds from short-term financial institutions	10	150,000	-	-
Repayments of short-term financial institutions	10	(407,306)	(277,306)	-
Proceeds from long-term borrowings	10	-	41,963	1,963
Repayments of long-term borrowings	10	(270,564)	(270,234)	(259,534)
Interest paid		(62,503)	(55,139)	(113,192)
Net cash used in financing activities		(590,373)	(602,679)	(370,763)
Net increase in cash and cash equivalents				
		145,067	248,596	107,055
Cash and cash equivalents at 1 January		2,769,148	2,278,596	443,267
Effect of acquisition of indirect subsidiary		-	2,068	-
Effect of exchange rate changes on balances held in foreign currencies		774	1,212	754
Cash and cash equivalents at 31 March		2,914,989	2,530,472	551,076
Non-cash transactions				
Acquisition of property and equipment by issue of debt		4,963	24,225	4,963
				23,585

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the interim financial statements
3	Changes in accounting policies
4	Related parties
5	Other investments
6	Trade and other accounts receivable
7	Investments in subsidiaries and a joint venture
8	Capital expenditure and commitments
9	Employee benefit obligations
10	Interest-bearing liabilities
11	Share capital and share-based payment transaction
12	Segment information
13	Earnings per share
14	Dividends
15	Commitments with non-related parties
16	Contingent liabilities
17	Other events

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 7 May 2015.

1 General information

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

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

The Company’s parent company during the period was Intouch Holdings Public Company Limited (41.14% shareholding) which is incorporated in Thailand.

The Company, its subsidiaries and a joint venture (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, broadcasting television service, telecommunication, 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 expire in 2021.

The Company received a license from the National Broadcasting and Telecommunications Commission (“NBTC”), to provide telecommunication services on its network for domestic and international communications. The license has a term of 20 years and will expire in 2032.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Details of the Company's subsidiaries and a joint venture as at 31 March 2015 and 31 December 2014 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2015	31 December 2014
<i>Direct subsidiaries</i>				
DTV Service Company Limited	Providing meeting center via internet and broadband content services and sale of direct television equipment	Thailand	99.99	99.99
iPSTAR Company Limited	Providing Thaicom 4 transponder services	The British Virgin Islands	100	100
Star Nucleus Company Limited	Providing engineering and development services, technology and electronics	The British Virgin Islands	100	100
Spacecode LLC	Providing engineering and development services, technology and electronics	The United States of America	70	70
IPSTAR International Pte Limited	Providing Thaicom 4 transponder services and sale of satellite equipment	Singapore	100	100
IPSTAR Global Services Company Limited	Providing Thaicom 4 transponder services	Mauritius	100	100
Cambodian DTV Network Limited	Sale of direct television equipment	Cambodia	100	100
IPSTAR Australia Pty Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Australia.	Australia	100	100
TC Broadcasting Company Limited	Providing broadcasting, television and telecommunication	Thailand	99.99	99.99
IPSTAR Japan Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Japan.	Japan	100	100
IPSTAR New Zealand Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in New Zealand	New Zealand	100	100

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2015	31 December 2014
International Satellite Company Limited	Providing Thaicom 7 and Thaicom 8 transponder services	Mauritius	100	100
<i>Indirect subsidiary</i>				
CS Loxinfo Public Company Limited	Providing internet data center service, internet and satellite uplink-downlink services	Thailand	42.07	42.07
Orion Satellite Systems Pty Limited	Providing satellite communication services and business solutions in Australia	Australia	100	100
<i>Joint venture</i>				
Shenington Investments Pte Limited	Holding company for investment in international telecommunications	Singapore	51	51
<i>Joint ventures of Shenington Investments Pte Limited</i>				
Lao Telecommunications Company Limited	Providing fixed line, mobile phone, public phone, public international facilities and Internet services	Lao PDR	24.99	24.99

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2014) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2014. They do not include all of the financial information required for full annual financial statements but 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 of the Company and its subsidiaries for the year ended 31 December 2014.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2014 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2015. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company except as disclosed in note 3.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

(b) Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Group's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

(c) Judgements and estimates

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014.

3 Changes in accounting policies

From 1 January 2015, The Group has adopted the issued and revised TFRS, which has resulted in changes in its accounting policies applied in the financial statements for the year ended 31 December 2014. The following new and revised TFRS having a material effect on the Group's financial statements:

• *TFRS 10 Consolidated Financial Statements*

TFRS 10 introduces a control model to determine whether the investees should be consolidated. As a result, the investor has to re-consider and review its investments if it has to consolidate its investees, which could result to the change in its current accounting.

As a result, the Group reassessed and changed the control conclusion for CS Loxinfo Public Company Limited ("CSL"), held by DTV Service Company Limited. The Company shall recognise investment in CSL as investment in subsidiary and include CSL in consolidation.

• *TFRS 11 Joint Arrangements*

TFRS 11 requires a joint venture to recognise its interests in joint arrangements as an investment and shall account for that investment using the equity method. TAS 31 (revised 2012) Interests in Joint Ventures which permit joint venture to be accounted for using proportionate consolidation will be superseded.

As a result of TFRS 11, the Group has changed the accounting policy of the investment in Shenington Investment Pte Limited ("SHEN") from proportionate consolidation to the equity method.

• *TFRS 12 Disclosure of Interests in Other Entities*

TFRS 12 brings all the disclosure requirements about the Group's interest in its subsidiaries, joint arrangements, associates and unconsolidated structured companies together into a single standard. TFRS 12 requires the disclosure of information about the nature, risks and financial effects of these interests.

TFRS 12 only impacts the Group's disclosure.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Effect of changes in accounting policies			
	As previously reported	Subsidiary	Joint venture	As restated
		<i>(in thousand Baht)</i>		
Consolidated statement of financial position At 1 January 2014				
Cash and cash equivalents	2,152,258	281,991	(155,653)	2,278,596
Trade and other accounts receivable	1,568,488	495,570	(100,679)	1,963,379
Amounts due from related parties	28,647	(33)	86,469	115,083
Short-term loan to a joint venture	142,074	-	147,872	289,946
Inventories	251,541	68,006	(13,584)	305,963
Other current assets	33,158	7,103	(6,292)	33,969
Investment in joint venture	-	-	909,145	909,145
Investment in associate	487,493	(487,493)	-	-
Property and equipment	3,163,136	597,488	(1,434,479)	2,326,145
Deferred charges	34,637	56	-	34,693
Intangible assets	840,934	645,342	(6,078)	1,480,198
Deferred tax assets	503,843	53,764	(59,703)	497,904
Other non-current assets	1,120,904	23,822	-	1,144,726
Others	17,046,940	-	-	17,046,940
Total assets	27,374,053	1,685,616	(632,982)	28,426,687
Trade and other accounts payable	719,628	404,431	(112,119)	1,011,940
Accounts payable - property and equipment	112,777	-	(23,486)	89,291
Amounts due to related parties	2,797	371	(1,940)	1,228
Short-term loan from other related party	142,664	-	(142,664)	-
Current portion of long-term loans	4,343,759	61,530	(29,661)	4,375,628
Advance receipts from customers	931,770	259,621	(63,687)	1,127,704
Income tax payable	35,753	21,612	(11,144)	46,221
Other current liabilities	70,547	1,405	(8,007)	63,945
Long-term loans	4,028,345	64,614	(61,540)	4,031,419
Employee benefit obligations	335,619	123,012	(150,450)	308,181
Other non-current liabilities	368,725	22,874	(9,454)	382,145
Others	700,205	-	-	700,205
Total liabilities	11,792,589	959,470	(614,152)	12,137,907
Non-controlling interests	38,391	707,317	-	745,708
Retained earnings	4,413,069	-	-	4,413,069
Others	11,130,003	-	-	11,130,003
Total equity	15,581,463	707,317	-	16,288,780

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Effect of changes in accounting policies			
	As previously reported	Subsidiary	Joint venture	As restated
		<i>(in thousand Baht)</i>		
Consolidated statement of financial position At 31 December 2014				
Cash and cash equivalents	2,564,934	386,198	(181,984)	2,769,148
Trade and other accounts receivable	1,589,960	445,411	(89,197)	1,946,174
Amounts due from related parties	53,185	-	18,042	71,227
Short-term loan to a joint venture	142,661	-	148,483	291,144
Inventories	225,274	42,824	(31,603)	236,495
Other current assets	49,349	(421)	(27,687)	21,241
Investment in joint venture	-	-	1,082,914	1,082,914
Investment in associate	234,339	(234,339)	-	-
Property and equipment	9,093,305	814,586	(1,555,260)	8,352,631
Deferred charges	44,363	1	-	44,364
Intangible assets	889,671	82,510	(5,363)	966,818
Deferred tax assets	254,417	52,981	(59,230)	248,168
Other non-current assets	848,229	23,623	-	871,852
Others	14,985,537	-	-	14,985,537
Total assets	30,975,224	1,613,374	(700,885)	31,887,713
Short-term loans from financial institutions	641,105	230,000	-	871,105
Trade and other accounts payable	791,216	423,349	(153,614)	1,060,951
Accounts payable - property and equipment	293,623	-	(120,622)	173,001
Amounts due to related parties	759	229	(708)	280
Short-term loan from other related party	143,313	-	(143,313)	-
Current portion of long-term loans	579,670	61,759	(1,893)	639,536
Advance receipts from customers	646,368	185,562	(48,549)	783,381
Income tax payable	59,566	12,046	(17,996)	53,616
Other current liabilities	129,619	1,258	(12,494)	118,383
Long-term loans	9,435,530	164,262	(9,463)	9,590,329
Employee benefit obligations	367,310	133,680	(163,949)	337,041
Other non-current liabilities	367,566	23,698	(9,455)	381,809
Others	593,652	-	-	593,652
Total liabilities	14,049,297	1,235,843	(682,056)	14,603,084
Non-controlling interests	38,566	358,701	-	397,267
Retained earnings	5,469,863	-	-	5,469,863
Others	11,417,499	-	-	11,417,499
Total equity	16,925,928	358,701	-	17,284,629

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Effect of changes in accounting policies			
	As previously reported	Subsidiary	Joint venture	As restated
	<i>(in thousand Baht)</i>			
Consolidated statement of income				
For the three-month period ended				
31 March 2014				
Revenues from sale of goods and rendering of services	2,374,412	724,197	(253,430)	2,845,179
Others	253,862	3,242	1,374	258,478
Total income	2,628,274	727,439	(252,056)	3,103,657
Cost of sale of goods and rendering of services	1,249,387	395,008	(138,928)	1,505,467
Operating agreement fees	242,298	-	-	242,298
Selling expenses	70,207	32,527	(9,252)	93,482
Administrative expenses	346,200	144,057	(63,730)	426,527
Finance costs	86,728	2,158	(3,111)	85,775
Income tax expense	96,782	29,587	(12,185)	114,184
Others	187,365	6,110	-	193,474
Total expenses	2,278,967	609,447	(227,206)	2,661,208
Income from equity method	49,639	(49,639)	24,850	24,850
Profit for the period	398,946	68,353	-	467,299
Profit attributable to:				
Owners of the Company	398,946	-	-	398,946
Non-controlling interests	-	68,353	-	68,353
Profit for the period	398,946	68,353	-	467,299

	Effect of changes in accounting policies			
	As previously reported	Subsidiary	Joint venture	As restated
	<i>(in thousand Baht)</i>			
Consolidated statement of cash flows				
For the three-month period ended				
31 March 2014				
Net cash provided from operating activities	995,240	116,926	(70,349)	1,041,817
Net cash used in investing activities	(450,664)	(66,422)	74,769	(442,317)
Net cash used in financing activities	(390,664)	38,985	775	(350,904)
Cash and cash equivalents	2,309,450	365,200	(144,178)	2,530,472

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

4 Related parties

Enterprises and/or 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 Intouch Holdings Public Company Limited (“Intouch”) (incorporated in Thailand), which owns 41.14 % (31 December 2014:41.14%) of the Company’s shares. Transactions with Intouch Group and shareholders of the Intouch 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.; an other related company, were conducted based on hourly rates plus reimbursement of actual expenses.

Significant transactions for the three-month periods ended 31 March 2015 and 2014 with related parties were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Income				
Revenue from sale of goods and rendering of services				
Parent	200	162	-	-
Subsidiaries	-	-	454,481	411,566
Related parties under common control	85,320	125,571	12,393	13,475
Other related party	615	-	-	-
Other income				
Subsidiaries	-	-	32,030	87,038
Joint venture	4,077	4,342	4,077	4,342
Related parties under common control	741	-	630	-
Total	90,953	130,075	503,611	516,421

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Expenses				
Purchases of goods and services				
Subsidiary	-	-	21,770	30,180
Joint venture	1,428	-	-	-
Related parties under common control	5,306	924	4	5
Other related party	14,435	3,936	3,601	3,936
Selling and administrative expenses				
Parent	52	-	52	-
Subsidiaries	-	-	1,822	354
Related parties under common control	11,397	9,933	3,429	2,865
Director and management benefit expenses	27,667	25,806	20,203	19,629
Total	60,285	40,599	50,881	56,969

Balances as at 31 March 2015 and 31 December 2014 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Trade accounts receivable and accrued income				
Trade accounts receivable				
Parent	54	686	-	-
Subsidiaries	-	-	72,668	63,751
Related parties under common control	63,063	61,780	22,090	-
Other related party	55,498	55,970	2,639	2,672
Total	118,615	118,436	97,397	66,423
Accrued income				
Subsidiaries	-	-	103,145	81,857
Related parties under common control	2,483	14,409	2,373	14,409
Total	2,483	14,409	105,518	96,266
Total trade accounts receivable and accrued income				
	121,098	132,845	202,915	162,689
Less allowance for doubtful accounts	(54,085)	(54,762)	(2,639)	(2,672)
Net	67,013	78,083	200,276	160,017
Other receivables				
Parent	86	138	86	138
Subsidiaries	-	-	71,035	106,179
Joint venture	12,089	35,390	12,089	35,390
Other related party	38,089	35,699	-	-
Total	50,264	71,227	83,210	141,707
Short-term loan to a joint venture	246,227	291,144	246,227	291,144

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

As at 31 March 2015, short-term loan to a joint venture bears interest at the rate of 2.77% - 3.15% per annum (*31 December 2014: 2.75% - 3.11% per annum*) and is repayable upon request.

Movements during the three-month periods ended 31 March 2015 and 2014 of short-term loans to a joint venture were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	291,144	289,946	291,144	289,946
Decrease	(41,837)	-	(41,837)	-
Loss on exchange rate	(3,080)	(3,308)	(3,080)	(3,308)
At 31 March	<u>246,227</u>	<u>286,638</u>	<u>246,227</u>	<u>286,638</u>

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Other current assets				
Subsidiaries	-	-	2,175	560
Related party under common control	32	30	3	-
Other related party	17	17	-	-
Total	<u>49</u>	<u>47</u>	<u>2,178</u>	<u>560</u>
Long-term loan to a subsidiary	<u>-</u>	<u>-</u>	<u>8,912</u>	<u>9,844</u>

As at 31 March 2015, long-term loan to subsidiary bears interest at the rate of 4.45% per annum (*31 December 2014: 4.35%*).

Movements during the three-month periods ended 31 March 2015 and 2014 of long-term loan to a subsidiary was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	-	-	9,844	13,026
Decrease	-	-	(820)	-
Loss on exchange rate	-	-	(112)	(148)
At 31 March	<u>-</u>	<u>-</u>	<u>8,912</u>	<u>12,878</u>

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Trade accounts payable				
Parent	-	206	-	206
Subsidiary	-	-	35,583	32,736
Joint venture	666	332	332	333
Related party under common control	10,212	12,363	1,718	3,607
Other related party	4,680	3,611	2,355	1,125
Total	15,558	16,512	39,988	38,007
Other accounts payable				
Subsidiaries	-	-	1,021	32,819
Related party under common control	3,330	280	2,424	-
Total	3,330	280	3,445	32,819
Advance receipts from customers				
Parent	71	95	-	-
Subsidiary	-	-	351,274	385,612
Related party under common control	13,532	1,885	12,877	-
Total	13,603	1,980	364,151	385,612
Accrued expenses				
Subsidiary	-	-	-	5,717
Joint venture	-	997	-	-
Related party under common control	475	794	115	465
Other related party	8,550	-	-	-
Total	9,025	1,791	115	6,182
Other current liabilities				
Subsidiaries	-	-	5,272	12,695
Related party under common control	160	530	160	160
Total	160	530	5,432	12,855

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Key management personnel compensation

Key management personnel compensation comprised:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Short-term employee benefits	25,401	24,311	18,137	18,320
Long-term benefits				
- Current service costs, included in administrative expenses	648	623	523	504
- Interest on obligation, included in finance costs	248	215	173	148
- Shared-based payment	1,370	657	1,370	657
Total	<u>27,667</u>	<u>25,806</u>	<u>20,203</u>	<u>19,629</u>

From time to time directors of the Group, or their related entities, may purchase goods from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers.

Directors' remuneration

The directors' remuneration represents monthly compensation, annual remuneration, and meeting fees. The directors' remuneration was 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 the statement of income.

Significant agreements with related parties

- a. The Company entered into an agreement with a subsidiary, under which the subsidiary 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 until the end of contract at approximately Baht 25.82 million (*31 December 2014: approximately Baht 17.80 million*).
- b. The Company and subsidiary entered into agreements with a subsidiary, under which the Company and subsidiaries were committed to pay royalty fee at 1% of revenue from sale or lease of IPSTAR gateway, 1% of revenue from sale or lease of IPSTAR user terminal and 3% of revenue from sale or service of IPSTAR bandwidth.
- c. The Company entered into agreements with subsidiaries, under which the Company was committed to provide transponder service, IPSTAR bandwidth service and advisory service. Subsidiaries were committed to pay the Company for the service of the agreements at approximately USD 59.99 million and Baht 24.06 million (*31 December 2014: approximately USD 65.01 million and Baht 23.75 million*). The service fees of contracts vary to the actual used or number of installed user terminal at the rate stated in the contract.
- d. The Company had entered into agreements with a certain related party, under which the related party was committed to maintain accounting program service. The company was committed to pay for the service in respect of the agreements at approximately Baht 4.22 million (*31 December 2014: approximately Baht 7.15 million*).

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

- e. The Company entered into an agreement with a subsidiary, under which the Company was committed to provide satellite uplink equipment. The associate was committed to pay for rental fee in respect of the agreements until the end of contract at approximately Baht 18.88 million. (31 December 2014: approximately Baht 22.66 million).
- f. The Company had entered into agreements with a subsidiary, under which a subsidiary was committed to provide broadcasting, television and telecommunication service. The Company was committed to pay for the service in respect of the agreements at approximately USD 6,480 per channel/ per year.

5 Other investments

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Current investments				
Short-term deposits at financial institutions	904,000	800,000	800,000	800,000
Equity securities available for sale	736,511	936,196	-	-
Total	1,640,511	1,736,196	800,000	800,000

As of 31 March 2015, current investments have interest rates of 2.50% to 3.00% per annum (31 December 2014: 2.85% to 3.00%) and mature within 1 year.

Movements during the periods ended 31 March 2015 and 2014 of marketable equity securities available for sale was as follow:

	Consolidated financial statements	
	2015	2014
	<i>(in thousand Baht)</i>	
Available-for-sale securities		
At 1 January	936,196	699,840
Valuation adjustment	(197,992)	(34,626)
Unrealised loss on exchange rate	(1,693)	(1,538)
At 31 March	736,511	663,676

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

6 Trade and other accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		31 March 2015	31 December 2014	31 March 2015	31 December 2014
<i>(in thousand Baht)</i>					
Trade accounts receivable					
Related parties	4	118,615	118,436	97,397	66,423
Other parties		1,427,709	1,258,139	710,803	542,734
Total		1,546,324	1,376,575	808,200	609,157
Accrued income					
Related parties	4	2,483	14,409	105,518	96,266
Other parties		394,431	480,284	336,933	414,213
Total		396,914	494,693	442,451	510,479
Other accounts receivable					
Prepaid expenses		121,118	135,045	43,926	45,216
Advance payments		82,897	53,796	40,987	25,463
Others		84,021	106,974	9,672	5,179
Total		288,036	295,815	94,585	75,858
Total trade accounts receivable accrued income and other accounts receivable					
		2,231,274	2,167,083	1,345,236	1,195,494
<i>Less</i> allowance for doubtful accounts		(236,124)	(220,909)	(81,295)	(71,262)
Net		1,995,150	1,946,174	1,263,941	1,124,232
<i>(in thousand Baht)</i>					
Bad and doubtful debts expenses for the period ended 31 March		26,784	23,846	10,931	6,048

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
<i>(in thousand Baht)</i>				
Related parties				
Within credit terms	37,543	50,559	47,824	24,106
Overdue:				
Less than 3 months	25,079	11,145	12,018	1,897
3 - 6 months	985	800	324	-
6 - 12 months	341	570	594	3,611
Over 12 months	54,667	55,362	36,637	36,809
	118,615	118,436	97,397	66,423
<i>Less</i> allowance for doubtful accounts	(54,085)	(54,762)	(2,639)	(2,672)
	64,530	63,674	94,758	63,751

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	March	December	March	December
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Other parties				
Within credit terms	507,163	454,664	202,900	148,854
Overdue:				
Less than 3 months	614,377	464,132	364,678	243,473
3 - 6 months	102,349	162,934	46,939	62,971
6 - 12 months	63,356	53,077	26,492	23,425
Over 12 months	140,464	123,332	69,794	64,011
	1,427,709	1,258,139	710,803	542,734
Less allowance for doubtful accounts	(182,039)	(166,147)	(78,656)	(68,590)
	1,245,670	1,091,992	632,147	474,144
Net	1,310,200	1,155,666	726,905	537,895

The normal credit term for general customers were granted by the Group ranging 15 - 120 days.

7 Investments in subsidiaries and a joint venture

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 31 March</i>	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	1,082,914	910,277	2,051,179	2,046,930
Share of net profits of investments in a joint venture - equity method	46,370	24,850	-	-
Foreign currency translation adjustments	(32,340)	(28,547)	-	-
At 31 March	1,096,944	906,580	2,051,179	2,046,930

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Investments in subsidiaries and a joint venture as at 31 March 2015 and 31 December 2014, and dividend income from those investments for the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements									
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the three-month periods ended	
	31 March 2015	31 December 2014 (%)	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 March 2014
<i>Joint venture</i>										
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	138	138	1,097	1,083	-	-
					<u>138</u>	<u>138</u>	<u>1,097</u>	<u>1,083</u>	<u>-</u>	<u>-</u>

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		Cost - net of impairment		Dividend income	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 March 2014
	(%)				(in million Baht)							
Subsidiaries												
DTV Service Company Limited	99.99	99.99	Baht 399 million	Baht 399 million	399	399	-	-	399	399	-	-
Spacecode LLC	70.00	70.00	USD 4 million	USD 4 million	118	118	-	-	118	118	-	-
iPSTAR Company Limited	100.00	100.00	USD 2 million	USD 2 million	157	157	-	-	157	157	-	-
Star Nucleus Company Limited	100.00	100.00	-	-	-	-	-	-	-	-	-	-
IPSTAR International Pte Limited	100.00	100.00	SGD 20,000	SGD 20,000	1	1	-	-	1	1	-	-
IPSTAR Global Services Company Limited	100.00	100.00	USD 20,000	USD 20,000	1	1	-	-	1	1	-	-
Cambodian DTV Network Limited	100.00	100.00	USD 600,000	USD 600,000	21	21	-	-	21	21	-	-
IPSTAR Australia Pty Limited	100.00	100.00	AUD 6.95 million	AUD 6.95 million	971	971	-	-	971	971	-	59
TC Broadcasting Company Limited	99.99	99.99	Baht 0.25 million	Baht 0.25 million	-	-	-	-	-	-	-	-
IPSTAR Japan Company Limited	100.00	100.00	JPY 100 million	JPY 100 million	33	33	-	-	33	33	-	-
IPSTAR New Zealand Company Limited	100.00	100.00	NZD 8.51 million	NZD 8.51 million	211	211	-	-	211	211	-	-
International Satellite Company Limited	100.00	100.00	USD 50,000	USD 50,000	2	2	-	-	2	2	-	-
Total					1,914	1,914	-	-	1,914	1,914	-	59
Joint venture												
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	138	138	-	-	138	138	-	-

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Significant movements in investments in subsidiaries and joint venture for the three-month period ended 31 March 2015 were as follows:

Subsidiaries

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

At the annual general meeting of the shareholders of CSL held on 25 March 2015, the shareholders approved the appropriation of dividend of Baht 0.16 per share, amounting to Baht 95 million. The dividend was paid to shareholders on 22 April 2015.

Joint venture

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

At the Annual General Meeting of the shareholders of LTC held on 9 February 2015, the shareholders approved the appropriation of dividend from 2014 operation of USD 18 million.

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.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

8 Capital expenditure and commitments

<i>Three-month period ended 31 March</i>	Consolidated financial statements							
	2015		2014					
	Property, plant and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets <i>(in thousand Baht)</i>	Property, plant and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets
Cost								
At 1 January	12,685,314	26,232,261	673,832	3,019,529	6,591,887	26,059,990	653,932	2,872,823
Additions	80,360	-	-	1,159	291,222	-	-	157,584
Transfers	(4,101)	-	-	-	(189,528)	167,884	-	(410)
Disposals	(12,571)	-	-	-	(12,774)	-	-	-
Write-offs	(1,129)	-	-	-	(17,408)	-	-	-
Foreign currency translation adjustments	(41,565)	-	-	(19,888)	13,764	-	-	(1,447)
At 31 March	12,706,308	26,232,261	673,832	3,000,800	6,677,163	26,227,874	653,932	3,028,550
Depreciation and amortisation								
At 1 January	4,332,682	12,982,920	629,468	2,052,711	4,265,742	11,018,063	619,239	1,392,625
Depreciation and amortisation charges for the period	153,855	498,740	8,377	36,771	107,392	443,419	1,247	31,358
Transfers	(2,335)	-	-	-	(19,311)	-	-	-
Disposals	(12,445)	-	-	-	(10,292)	-	-	-
Write-offs	(502)	-	-	-	(16,168)	-	-	-
Impairment loss	24,993	-	-	1,781	-	-	-	-
Foreign currency translation adjustments	(31,671)	-	-	(981)	8,765	-	-	(673)
At 31 March	4,464,577	13,481,660	637,845	2,090,282	4,336,128	11,461,482	620,486	1,423,310
Net book value								
At 1 January	8,352,632	13,249,341	44,364	966,818	2,326,145	15,041,927	34,693	1,480,198
At 31 March	8,241,731	12,750,601	35,987	910,518	2,341,035	14,766,392	33,446	1,605,240

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 March 2015 amounted to Baht 2,790.62 million (*31 December 2014: Baht 2,764.65 million*).

Impairment loss for the three-month period ended 31 March 2015 in the amount of Baht 26.77 million includes IPSTAR ground system of the Company amounting to Baht 24.99 million.

<i>Three-month period ended 31 March</i>	Separate financial statements							
	2015				2014			
	Property and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets (in thousand Baht)	Property and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets
Cost								
At 1 January	9,365,832	26,232,261	661,193	1,421,530	3,630,399	26,059,990	654,139	1,429,775
Additions	49,574	-	-	82	165,715	-	-	1,919
Transfers	(4,101)	-	-	-	(189,939)	167,884	-	-
Disposals	(591)	-	-	-	(24)	-	-	-
Write-offs	(457)	-	-	-	(11,678)	-	-	-
At 31 March	9,410,257	26,232,261	661,193	1,421,612	3,594,473	26,227,874	654,139	1,431,694
Depreciation and amortisation								
At 1 January	2,019,607	12,982,920	616,502	806,269	2,093,595	11,018,063	619,239	724,644
Depreciation and amortisation charges for the period	96,958	498,740	8,421	23,904	54,153	443,419	1,096	22,851
Transfers	(2,336)	-	-	-	(19,311)	-	-	-
Disposals	(556)	-	-	-	(17)	-	-	-
Write-offs	(329)	-	-	-	(10,715)	-	-	-
Impairment loss	24,993	-	-	-	-	-	-	-
At 31 March	2,138,337	13,481,660	624,923	830,173	2,117,705	11,461,482	620,335	747,495
Net book value								
At 1 January	7,346,225	13,249,341	44,691	615,261	1,536,804	15,041,927	34,900	705,131
At 31 March	7,271,920	12,750,601	36,270	591,439	1,476,768	14,766,392	33,804	684,199

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

The gross amount of the Company's fully depreciated property and equipment that was still in use as at 31 March 2015 amounted to Baht 1,292.21 million (*31 December 2014: Baht 1,274.39 million*).

Borrowing costs for the three-month period ended 31 March 2015 in the amount of Baht 27.68 million, arise from financing specifically for assets under construction.

As at 31 March 2015, property and equipment included a project in progress of Baht 4,077.74 million (*31 December 2014: Baht 4,050.05 million*), relating to the Thaicom 8 project. The Company provides telecommunication services under licenses granted by the National Broadcasting and Telecommunications Commission ("NBTC"). The Thaicom 8 project is expected to finish in 2016.

Capital expenditure commitments

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

	Currency	Consolidated financial statements		Separate financial statements	
		31 March 2015	31 December 2014	31 March 2015	31 December 2014
		<i>(in thousand)</i>			
THAICOM 8 Project	USD	30,777	30,777	30,777	30,777
Internet network	Baht	3,051	2,464	-	-
Total equivalent to Thai Baht		1,009,545	1,021,589	1,006,494	1,019,125

9 Employee benefit obligations

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Present value of unfunded obligations	347,799	337,041	206,413	199,067
Statement of financial position obligation	347,799	337,041	206,413	199,067

Movement in the present value of the employee benefit obligations:

	Consolidated financial statements		Separate financial statements	
<i>Three-month period ended 31 March</i>	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Employee benefit obligations at 1 January	337,041	308,181	199,067	181,461
Benefits paid by the plan	(702)	(1,383)	-	-
Current service costs and interest	11,460	10,867	7,346	6,893
Employee benefit obligations at 31 March	347,799	317,665	206,413	188,354

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Expense recognised in profit or loss:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Current service costs of employee	8,150	7,892	5,335	5,144
Interest on obligation	3,310	2,975	2,011	1,749
Total	11,460	10,867	7,346	6,893

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	(%)			
Discount rate	3.90	3.90	3.90	3.90
Future salary increases	7.00-15.00	7.00-15.00	8.00	8.00

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

10 Interest-bearing liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
<i>Current</i>				
<i>Short-term loans</i>				
Short-term loans from financial institution	615,814	871,105	365,814	641,105
Total short-term loans	<u>615,814</u>	<u>871,105</u>	<u>365,814</u>	<u>641,105</u>
<i>Current portion of long-term borrowings</i>				
Loans from financial institutions	619,218	626,236	559,218	566,236
Loans from others	12,285	13,300	10,601	11,541
Total current portion of long-term borrowings	<u>631,503</u>	<u>639,536</u>	<u>569,819</u>	<u>577,777</u>
Total current interest –bearing liabilities	<u>1,247,317</u>	<u>1,510,641</u>	<u>935,633</u>	<u>1,218,882</u>
<i>Non-current</i>				
<i>Long-term borrowings</i>				
Loans from financial institutions	4,681,293	5,021,150	4,521,293	4,861,150
Loans from others	23,694	25,131	19,687	20,869
Total long-term borrowings	<u>4,704,987</u>	<u>5,046,281</u>	<u>4,540,980</u>	<u>4,882,019</u>
Long-term debentures	<u>4,544,311</u>	<u>4,544,048</u>	<u>4,544,311</u>	<u>4,544,048</u>
Total non-current interest - bearing liabilities	<u>9,249,298</u>	<u>9,590,329</u>	<u>9,085,291</u>	<u>9,426,067</u>
Total	<u>10,496,615</u>	<u>11,100,970</u>	<u>10,020,924</u>	<u>10,644,949</u>

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Long-term debentures were as follows:

As at 31 March 2015, the Company has 2 tranches of Baht 4,550 million, with a par value of Baht 1,000 each, unsubordinated and unsecured with having registered and bond holders' representative debentures as follow:

Issue date	No. of units (Million)	Amount (Million Baht)	Interest rate (per annum)	Term of interest payment	Principal payment term	Outstanding balance as at 31 March 2015 (in million Baht)
29 September 2014	2,275	2,275	4.28%	Semiannually	Entirely redeemed on 2 October 2019	2,275
29 September 2014	2,275	2,275	4.68%	Semiannually	Entirely redeemed on 2 October 2021	2,275
Total debentures						4,550
Less bond issuing cost						(6)
Net						4,544

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

The movements in the borrowings can be analysed as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
For the three-month period ended 31 March 2015		
Opening net book value	11,100,970	10,644,949
Proceeds from short-term loans from financial institutions	150,000	-
Repayment of short-term loans from financial institutions	(407,306)	(277,306)
Repayment of long-term borrowings	(270,564)	(270,234)
Amortisation of finance costs	263	263
Unrealised foreign exchange gain	(76,748)	(76,748)
Closing net book value	<u>10,496,615</u>	<u>10,020,924</u>

The Group has to maintain the financial ratios restricted in the long-term agreements.

Credit facilities

As at 31 March 2015 available credit facilities for loans from local and overseas banks are Baht 3,216.96 million and USD 20 million (*31 December 2014: Baht 3,089.96 million and USD 11.29 million*).

Facility agreement in relation to the financing of the Thaicom 6 and Thaicom 8 satellite project

The Company entered into a Loan Agreement with a local bank on 29 August 2011 for USD 137 million, for the purpose of the Thaicom 6 satellite project. The term of the loan is 10 years with the interest rate based on margins over the London Inter-Bank Offer Rate (“LIBOR”). The Company must comply with the conditions in the Loan Agreement in respect of maintaining certain financial ratios, guarantee, sale or transfer of assets and investment. In addition, the Company has the arrangement with local banks to refinance for adjust the condition in loan agreement within March 2016.

The Company entered into a Loan Agreement with local banks on 20 October 2014 for USD 105 million, for the purpose of the Thaicom 8 satellite project. The term of the loan is 10 years with the interest rate based on margins over the London Inter-Bank Offer Rate (“LIBOR”). The Company must comply with the conditions in the Loan Agreement in respect of maintaining certain financial ratios, guarantee, sale or transfer of assets and investment.

11 Share capital and share-based payment transaction

	<i>Par value per share (Baht)</i>	2015		2014	
		Number	Amount	Number	Amount
		<i>(thousand shares / thousand Baht)</i>			
Authorised					
At 31 March					
- ordinary shares	5	<u>1,097,817</u>	<u>5,489,086</u>	<u>1,096,619</u>	<u>5,483,098</u>
Issued and paid-up					
At 1 January					
- ordinary shares	5	<u>1,095,938</u>	<u>5,479,688</u>	<u>1,095,938</u>	<u>5,479,688</u>
At 31 March					
- ordinary shares	5	<u>1,095,938</u>	<u>5,479,688</u>	<u>1,095,938</u>	<u>5,479,688</u>

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Issue of ordinary shares

At the annual general meeting of the shareholders of the Company held on 26 March 2015, a resolution was passed to approve the issuance of 1,085,300 ordinary shares at the par value of Baht 5 per share, in total of Baht 5,426,500 to reserve for the exercise of the warrant.

At the annual general meeting of the shareholders of the Company held on 27 March 2014, a resolution was passed to approve the issuance of 1,197,700 ordinary shares at the par value of Baht 5 per share, in total of Baht 5,988,500 to reserve for the exercise of the warrant. The Company registered the increased share capital with the Ministry of Commerce on 21 April 2014.

Share-based payment transaction

a) Information of project

The issuance and offering of warrants to purchase ordinary shares to directors and employees of the Company and its subsidiaries. The warrants are offered directly to full-time employees who have qualifications according to the plan.

	Project I	Project II
Issued date:	28 March 2013	27 March 2014
Issued:	682,000 units	1,197,700 units
Exercise price:	23.266 Baht/Share	38.265 Baht/Share
Number of reserved shares:	682,000 shares	1,197,700 shares
Offer period:	5 years after first time to offered the warrant	5 years after first time to offered the warrant
Offer price per unit:	Baht 0 (zero Baht)	Baht 0 (zero Baht)
Exercise ratio:	One unit of warrant per one ordinary share	One unit of warrant per one ordinary share

Movements in the number of warrants outstanding are as follows:

	Opening balance 1 January 2015	Issue during the period	Return during the period	Transfer during the period	Closing Balance 31 March 2015
	<i>(in thousand unit)</i>				
ESOP - Grant I					
Directors	112	-	-	-	112
Employees	514	-	-	-	514
Total	626	-	-	-	626
ESOP - Grant II					
Directors	167	-	-	-	167
Employees	976	-	-	-	976
Total	1,143	-	-	-	1,143
Grand Total	1,769	-	-	-	1,769

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

b) Fair value measurement

The measurement is in reference to the fair value of the offered ordinary shares issued at the grant date using Monte Carlo Simulation techniques. The assumptions are as below:

	Project I	Project II
Fair value at grant date	Baht 35.037	Baht 27.864
Share price at grant date	Baht 35.750	Baht 40.500
Exercise price	Baht 23.266	Baht 38.265
Expected volatility	55.392%	41.562%
Expected dividend	1.119%	1.111%
Risk-free interest rate	3.074%	3.082%

Reconciliation of other reserve-shared-based payment:

	Consolidate financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	9,298	2,432	9,298	2,432
Total expense recognised during period in statement of income	2,345	1,042	2,345	1,042
At 31 March	<u>11,643</u>	<u>3,474</u>	<u>11,643</u>	<u>3,474</u>

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

12 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

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

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. Lao PDRs' main activities are sales and services relating to telephone network business and satellite business services. Australia, China, India, Japan and Myanmar main activities are sales and services relating to satellite business.

The Group comprises the following main geographic segments:

Segment 1	Thailand
Segment 2	Australia
Segment 3	China
Segment 4	India
Segment 5	Japan
Segment 6	Myanmar
Segment 7	Others

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Revenue and results, based on business segments, in the consolidated financial statements for the three-month periods ended 31 March 2015 and 2014 were as follows:

	Satellite business services		Internet services and media		Telephone network		Consolidation eliminations		Consolidated financial statements	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<i>For the three-month period ended 31 March</i>										
Revenues	2,309	2,103	782	770	-	-	(17)	(28)	3,074	2,845
Construction revenue under operating agreement	-	168	-	-	-	-	-	-	-	168
Shares of net results from a joint venture	-	-	-	-	46	25	-	-	46	25
Cost of sales and services	(1,384)	(1,316)	(491)	(460)	-	-	16	27	(1,859)	(1,749)
Construction cost under operating agreement	-	(168)	-	-	-	-	-	-	-	(168)
Selling and administrative expenses	(379)	(348)	(184)	(195)	-	-	2	(1)	(561)	(544)
Segment results	546	439	107	115	46	25	1	(2)	700	577
Other income									43	37
Net foreign exchange gain									74	53
Profit before finance cost and income tax									817	667
Finance costs									(82)	(86)
Operating profit									735	581
Income tax									(147)	(114)
Non-controlling interests									(48)	(68)
Net profit									540	399

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Revenue and results, based on geographical segments, in the consolidated financial statements for the three-month periods ended 31 March 2015 and 2014 were as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
<i>Segment revenue</i>		
Thailand	1,919,503	1,799,930
Australia	326,194	315,746
China	68,729	69,043
India	93,861	100,976
Japan	187,794	211,034
Myanmar	230,306	117,454
Others	247,337	230,996
Total	<u>3,073,724</u>	<u>2,845,179</u>

Major customers

For the three-month periods ended 31 March 2015 and 2014, the Group has no revenue transactions with a single external customer amount to 10 percent or more of the Group's revenues.

	2015	2014
	<i>(in thousand Baht)</i>	
<i>Segment results</i>		
Thailand	650,948	515,825
Australia	132,755	144,350
China	(111,085)	(110,712)
India	(35,499)	(35,407)
Japan	97,962	101,355
Myanmar	32,907	(2,130)
Others	(68,257)	(36,583)
Total	<u>699,731</u>	<u>576,698</u>

Other non-current assets, based on geographical segments, in the consolidated financial statements for the periods ended 31 March 2015 and 31 December 2014 were as follows:

	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>	
<i>Other non-current assets</i>		
Thailand	23,469,070	24,026,177
Australia	206,894	245,254
China	18,204	19,247
India	43,634	56,622
Japan	42,754	44,008
Myanmar	589	660
Others	164,101	175,952
Total	<u>23,945,246</u>	<u>24,567,920</u>

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

13 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the three-month periods ended 31 March 2015 and 2014 was based on the earnings for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during each period as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(thousand share/thousand Baht)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>540,113</u>	<u>398,946</u>	<u>301,952</u>	<u>203,655</u>
Number of ordinary shares outstanding	<u>1,095,938</u>	<u>1,095,938</u>	<u>1,095,938</u>	<u>1,095,938</u>
Earnings per share (basic) (in Baht)	<u>0.49</u>	<u>0.36</u>	<u>0.28</u>	<u>0.19</u>

Diluted earnings per share

The calculation of diluted earnings per share for the three-month periods ended 31 March 2015 and 2014 was based on the earnings for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(thousand share/thousand Baht)</i>			
Profit attributable to ordinary shareholders of the Company (diluted)	<u>540,113</u>	<u>398,946</u>	<u>301,952</u>	<u>203,655</u>
Weighted average number of ordinary shares outstanding (basic)	1,095,938	1,095,938	1,095,938	1,095,938
Effect of exercise of shares options	228	278	228	278
Weighted average number of ordinary shares outstanding (diluted)	<u>1,096,166</u>	<u>1,096,216</u>	<u>1,096,166</u>	<u>1,096,216</u>
Earnings per share (diluted) (in Baht)	<u>0.49</u>	<u>0.36</u>	<u>0.28</u>	<u>0.19</u>

14 Dividends

At the annual general meeting of the shareholders of the Company held on 26 March 2015, the shareholders approved the appropriation of dividend of Baht 0.65 per share, amounting to Baht 712 million. The dividend was paid to shareholders on 23 April 2015.

At the annual general meeting of the shareholders of the Company held on 27 March 2014, the shareholders approved the appropriation of dividend of Baht 0.45 per share, amounting to Baht 493 million. The dividend was paid to shareholders on 23 April 2014.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

15 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 and Communication 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 2015, the remaining minimum fee is Baht 533 million (*31 December 2014: Baht 550 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) 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 Intouch Holdings Public Company Limited (formerly named Shinawatra Computer and Communications 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 joint venture of the Company, owns 49% of LTC’s registered shares. After the end of the 20th year, in 2016, the Government of the Lao People’s Democratic Republic (LAOGOV) shall have the right to consider purchasing all LTC’s shares at a market price. And after the end of 23rd year, in 2019, the Group has a right to submit a proposal to LAOGOV to consider the extension of the term of agreement. Otherwise 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 7). 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.

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

CS Loxinfo Public Company Limited (“CSL”), a subsidiary 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.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Currently, the National Broadcasting and Telecommunications Commission (“NBTC”) (previously termed “the National Telecommunications Commission (“NTC”)) is responsible for granting licenses to provide telecommunication services and internet access services in Thailand. The Company, subsidiaries and an associate operate the business to provide internet, broadcasting and telecommunication services under licenses granted by NBTC as follow:

Type of license	Issued Date	Period
License of the Company		
Telecom Operation License Type I	16 August 2011	5 years
Telecom Operation License Type III	26 June 2012	20 years
License of DTV Service Company Limited		
Broadcasting Operation License	21 January 2013	15 years
Broadcasting Operation License (Lao Star)	28 January 2014	2 years
Broadcasting Operation License (D-Channel)	28 January 2014	2 years
Broadcasting Operation License (TV Lao)	24 November 2014	1 year
License of TC Broadcasting Company Limited		
Broadcasting Operation License	4 March 2013	15 years
Licenses of CS Loxinfo Public Company Limited		
Internet Operation License Type I	8 September 2014	5 years
Telecom Operation License Type I	11 October 2014	5 years
Internet Operation License Type II	26 April 2012	5 years
Telecom Operation License Type III	20 December 2007	15 years

d) 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 for the procurement and installation of Phase IV, V and 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 and interest rate of loan 1% to 4% per annum, respectively.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

e) Operating lease commitments

Group has future aggregate minimum lease payments under non-cancellable operating leases as follows:

	Currency	Consolidated financial statements		Separate financial statements	
		31 March 2015	31 December 2014	31 March 2015	31 December 2014
		<i>(in thousands)</i>			
Within one year	THB	44,636	56,995	16,486	18,690
	YEN	5,443	5,443	-	-
	USD	4,867	5,008	4,834	4,999
	Rupee	4,170	4,170	4,170	4,170
	Rupiah	28,573	39,461	28,573	39,461
	Ringgit	41	70	41	70
	PHP	210	306	210	306
	CNY	497	183	497	183
	AUD	149	149	-	-
	NZD	307	307	-	-
Total equivalent Baht		<u>298,802</u>	<u>240,622</u>	<u>256,938</u>	<u>188,491</u>
After one year but within five years	THB	31,271	36,456	25,502	28,090
	YEN	3,771	4,564	-	-
	USD	6,552	7,820	6,539	7,820
	Rupee	3,822	4,865	3,822	4,865
	AUD	86	123	-	-
	NZD	128	204	-	-
Total equivalent Baht		<u>253,942</u>	<u>308,031</u>	<u>241,551</u>	<u>289,689</u>
After five years	THB	6,311	5,933	6,311	5,933
	USD	588	914	588	914
Total equivalent Baht		<u>25,530</u>	<u>36,196</u>	<u>25,530</u>	<u>36,196</u>
Grand total equivalent Baht		<u>578,274</u>	<u>584,849</u>	<u>524,020</u>	<u>514,376</u>

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

f) Other commitments

The Group has commitments 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 2015	31 December 2014	31 March 2015	31 December 2014
<i>(in thousands)</i>					
Minimum operating agreement fee payable to Ministry of Information Communication and Technology	THB	29,583	47,333	29,583	47,333
Satellite space leasing by customers	USD	3,685	3,617	3,685	3,617
	THB	271,202	448,861	271,202	448,861
	AUD	5,000	5,000	-	-
Others	THB	37,486	34,581	9,575	9,371

16 Contingent liabilities

Assessment for income tax in India

The Tax Authority in India ('the Tax 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. But the Company considered income from Transponder Services to be business income, and as the Company does not have permanent establishment in India, such income is not taxable in India.

The Tax Authority still insisted on its consideration and raised the tax demand including surcharge, education and interest aggregating to Rs. 831.4 million (approximately Baht 433 million) against the said payment received by it from the customers and also levied penalty of Rs. 566.1 million (approximately Baht 295 million) for the Assessment Year ('AY') 1998-1999 to 2011-2012 (1 April 1997 to 30 March 2011).

So far, the Company had received Withholding Tax Certificates ('WTC') from its customers until Assessment Year ('AY') 2009-2010 net amounting to Rs. 498.4 million (approximately Baht 259 million), in which part of the amount is substituted and paid by the customer on behalf of the Company. The Company had also deposited Rs. 460.2 million (approximately Baht 240 million). The deposit is presented as non-current assets in the statements of financial position.

On 4 March 2011 Income Tax Appellate Tribunal (ITAT) gave its decision that the Company's income from transponder services in India was not a royalty and, as the Company has no permanent establishment in India, such income was not taxable in India.

As the consequence, the Company does not have to pay interest and penalty imposed by the Revenue Department of India, and ITAT also decided that the demand for penalty for the assessment year

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

1998-1999, 1999-2000, 2000-2001, 2001-2002 and 2002-2003 made by the Revenue Department of India against the Company be cancelled. The Revenue Department of India did not appeal against the ITAT's decision on penalty for the said assessment years to the High Court of Delhi and the ITAT's decision on penalty was final. On 30 December 2011, the Tax authority notified the partial return of deposit placed by the Company against the penalty for the Assessment Year ('AY') 1998-1999 to 2001-2002 and interest, aggregating to Rs. 162.4 million (approximately Baht 85 million.)

Further to ITAT decision as stated in the preceding paragraphs, the Company is in the process of requesting the refund of the remaining deposit and withholding tax from the Tax Authority. Upon the final decision of the Supreme Court and the receipt of refund, the Company will forward the Customer the amount they substituted on behalf of the Company.

On September 28, 2011, the Tax Authority has filed an appeal against the decision of High Court on 17 February 2011 which decided that the Company's income from transponder services in India was not a royalty, to the Supreme Court. At the moment, this issue is still under the consideration of the Supreme Court.

The Supreme Court of India issued a letter dated 9 November 2011, to inform the agent of the Company's tax consultant of the appeal. Currently, the matter is in process, awaiting the Supreme Court of India's consideration.

17 Other events

- a) According to the judgment of the Supreme Court, Criminal Division for Persons Holding Political Positions rendered on 26 February 2010, concerns the Company and its affiliated companies in many aspects. The Company is of the opinion that the consequence of the judgment is limited to the holding that some property of the person holding political position was improperly acquired by an abuse of power while being in a political position. The judgment does not contain any order indicating that the Company or its affiliated companies shall take any actions as the Company is not involved to the case. The Company and its affiliated companies have been operating to the best of its ability in accordance with the law and the agreements and in good faith. The Company and its affiliated companies have every right available under the law and agreements to provide the facts to prove its innocence and good faith in any proceeding which may be initiated by the relevant government agencies in accordance with the law and justice.
- b) On 19 April 2007, Mr. Supong Limthanakul brought legal actions against the National Telecommunications Commission ("NTC"), the office of the NTC and the Ministry of Information and Communication Technology ("MICT") in the Central Administrative Court ("CAC") on the ground that the three state agencies neglected to perform their duties in overseeing whether the Company has been carrying on its telecommunications business lawfully after the sale of Shin Corporation Public Company Limited's shares to the new shareholder.

CAC issued an order dated 8 April 2009 making the Company the fourth respondent in order to allow the Company to file the Reply to the petitioner's claim including evidence, documentary or otherwise to CAC and the Company filed the Reply and supporting evidence in July 2009. On 10 June 2011, CAC has dismissed the case.

On 8 July 2011, Mr. Supong Limthanakul has filed an appeal with the Supreme Administrative Court ("SAC"). The case is under consideration by SAC. On 23 September 2011, the Company has filed an argument against appeal with the Supreme Administrative Court ("SAC").

The Company is of the opinion that it will not be adversely affected in any way as the actions were brought against NTC, office of the NTC and MICT for neglecting to perform their duties and will not

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

constitute a cause for terminating the operating agreement as the Company has fully complied with the terms and conditions of the operating agreement.