



## **1Q15 Analyst Meeting**

**Suphajee Suthumpun**  
**Chief Executive Officer**

12<sup>th</sup> May 2015

Chadra Room, Siam Kempinski Hotel

# Agenda



- **Key Highlights**
- **Financial Highlights**
- **Industry Outlook & Moving Forward**





## Key Highlights



# Key Achievements



## Record high performance of THAICOM

- Revenue was Baht 3,074 million, up 8% YoY
- Net Profit was Baht 540 million, up 35% YoY



## Conventional business highlights

- Number of satellite TV channels on THAICOM satellites at 78.5E increased from 702 to 738 channels (110 HD)
- Started commercializing services for Thailand's IPM on THAICOM 5



## Broadband business highlights

- Started recognizing additional revenue from Malaysia's Measat 100% bandwidth commitment
- Australia's NBN continued to expand subscribers under the NBN Co Satellite Support (NSS) Scheme
- Japan's SBM expanded Maritime projects by offering Wi-Fi services on additional 4 ferries

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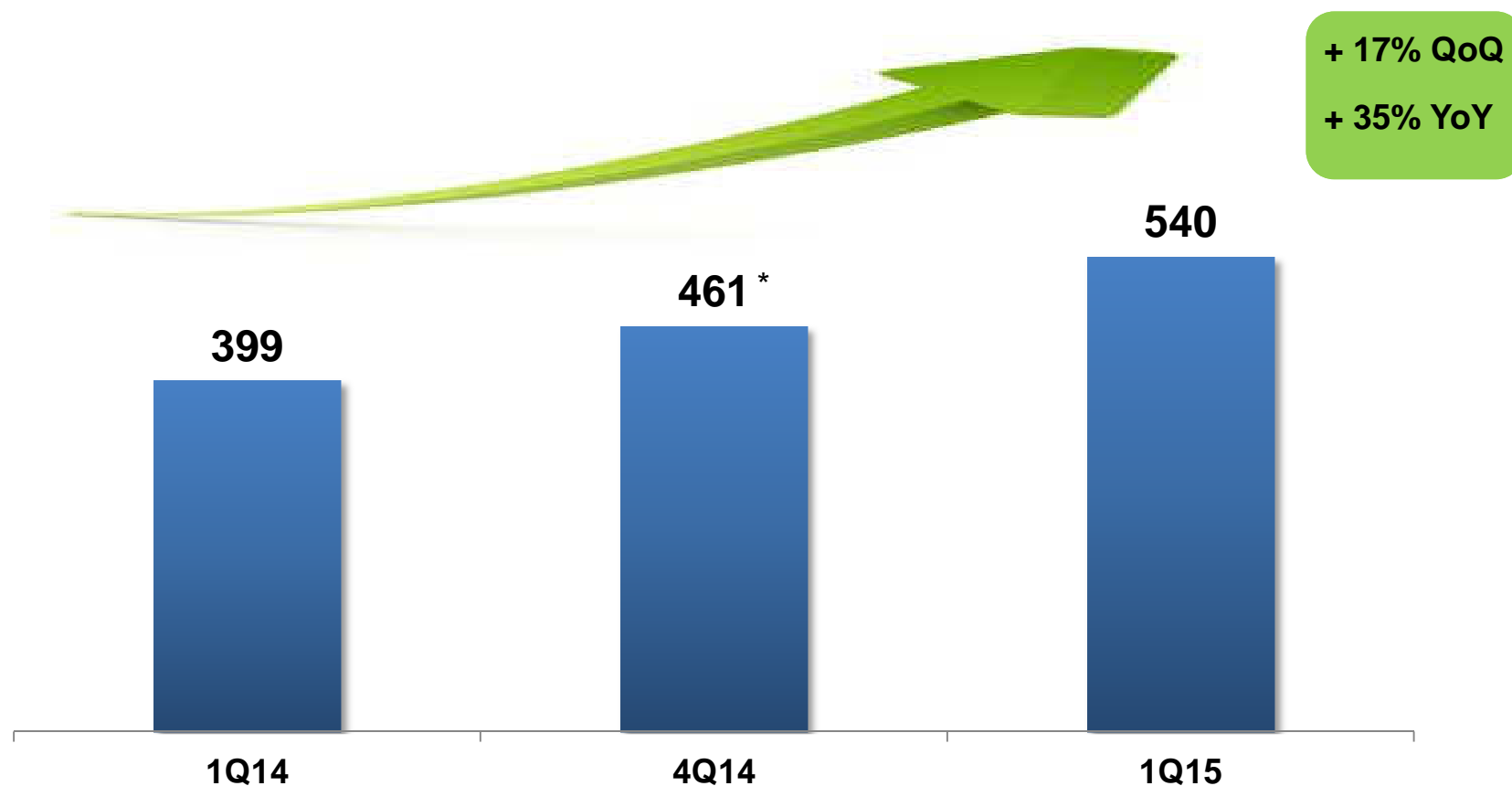


# Strong Growth in 1Q15 Normalized Net Profit



## Consolidated Results

Unit: MB



\*Excludes impairment of assets 36 MB

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## Financial Highlights



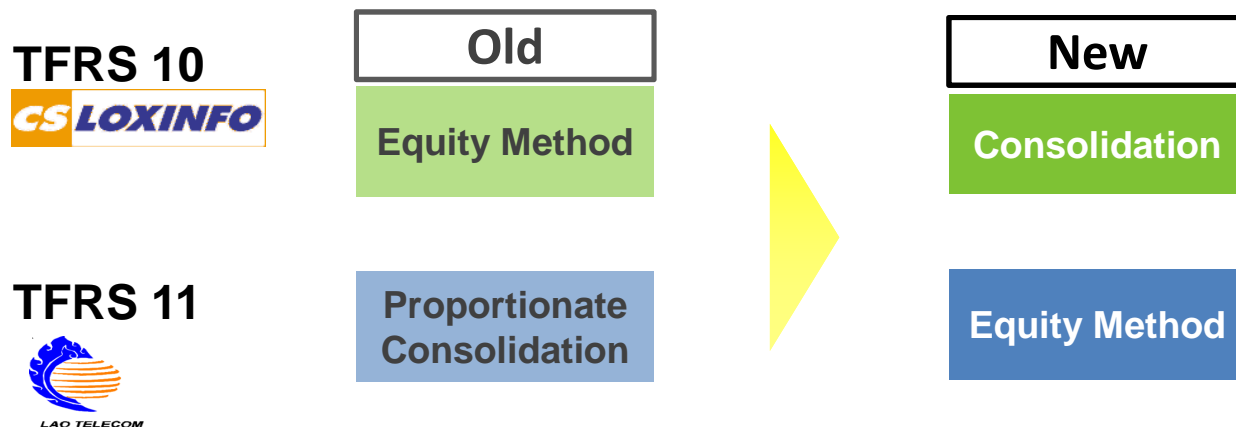
# The New Accounting Standard

## TFRS 10 : Consolidated Financial Statements

Considering **the power control** of companies **rather than percentage of shareholding**, changing the accounting policy from *Equity Method* to *Consolidation*.

## TFRS 11 : Joint Arrangements

Changing the accounting policy from **Proportionate Consolidation** to **Equity Method** for *Joint Venture*.



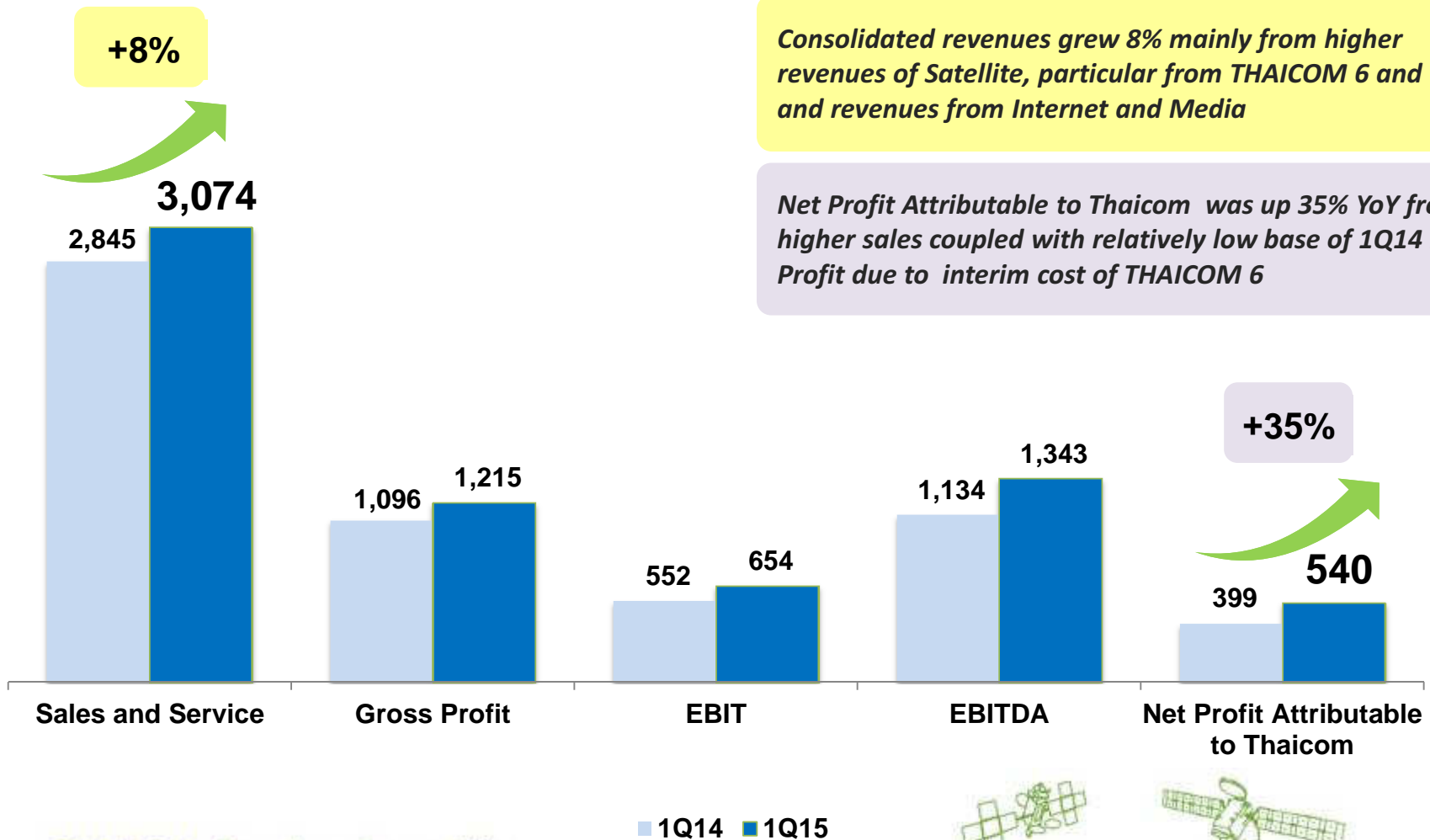
**No** impact to Shareholders' Net Profit



# 1Q15 Top and Bottom lines continued to grow

## Consolidated Key Financial Highlights

Unit: MB



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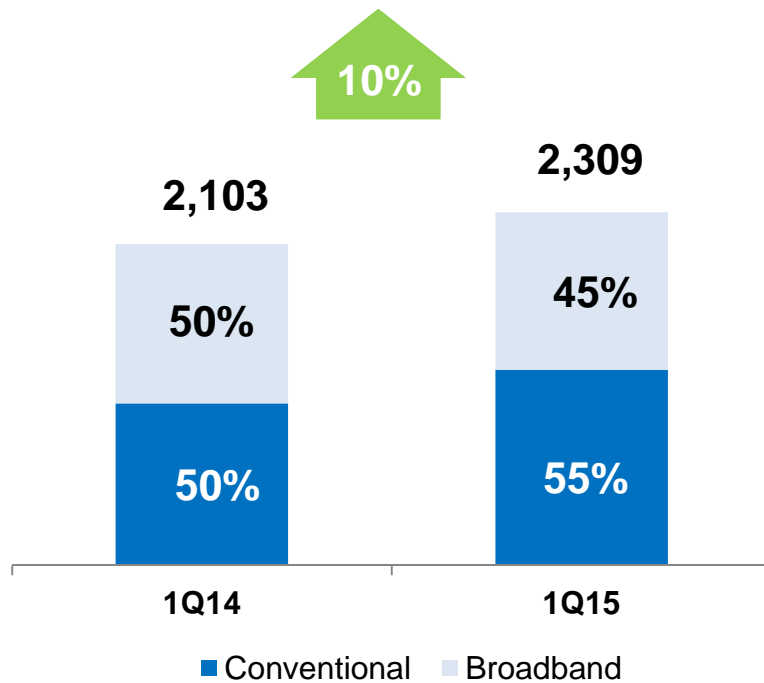
# 1Q15: Maintain Positive Momentum on Satellite Revenues and EBITDA Growth



## Satellite Revenues

MB

*Satellite Revenues up 10% YoY*

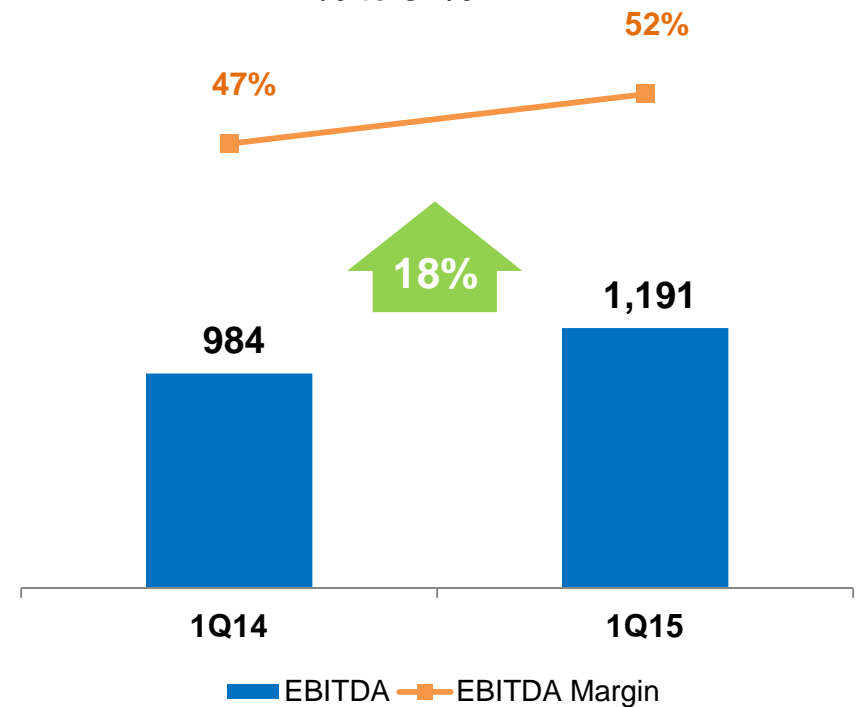


**Conventional revenues boosted from THAICOM 6 and 7**

## Satellite EBITDA

MB

*Satellite EBITDA Margin improved from 47% to 52%*



**Satellite EBITDA increased 18% YoY**

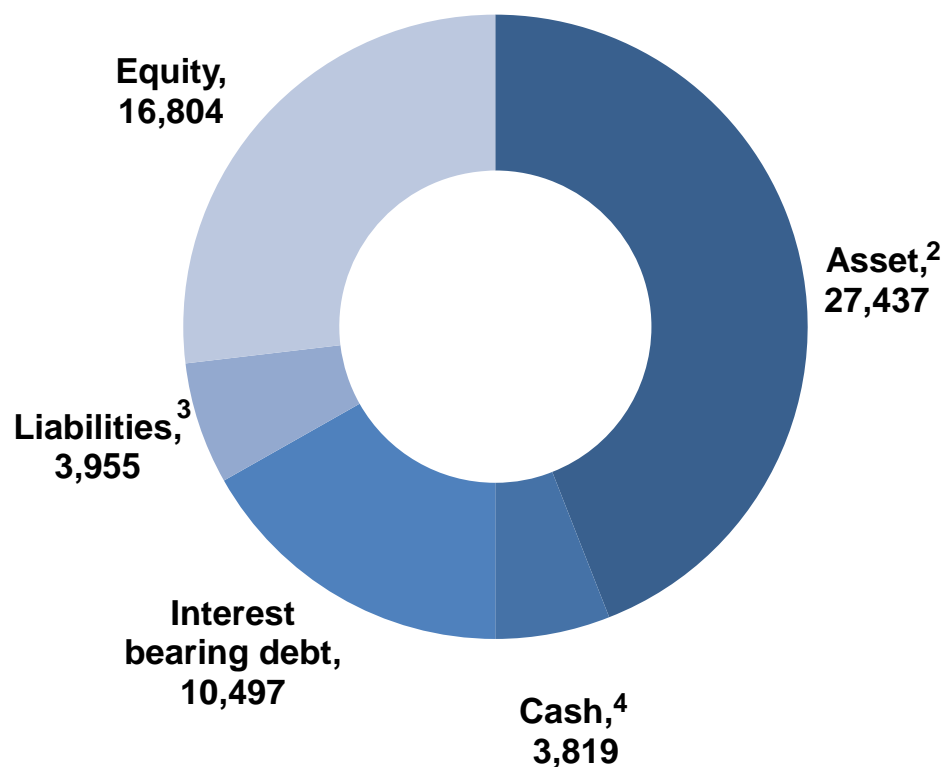


# Financial position remains strong



**D/E Ratio at 0.62x<sup>1</sup>**

Unit: MB



**Strong cash from operation**

Unit: MB

Consolidated CF	1Q14*	1Q15
CF from Operating	1,042	867
CF from Investing	(442)	(132)
CF from Financing	(351)	(590)
<b>Ending Cash</b>	<b>2,530</b>	<b>2,915</b>

\* Restated

1. Interest-bearing Debt / Equity
2. Excludes Cash and Current Investment
3. Excludes Interest-Bearing Debt
4. Cash and Current Investment (B/E)

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## Industry Outlook & Moving Forward



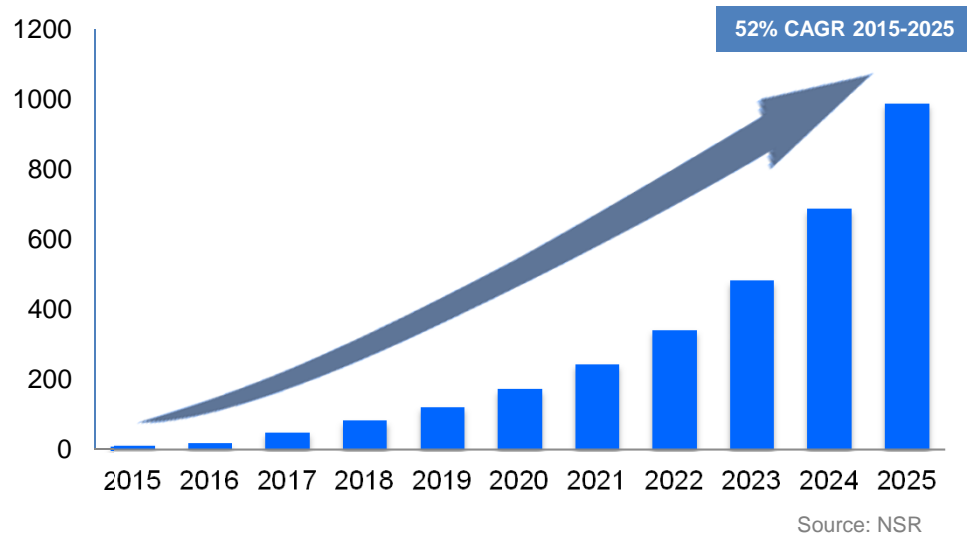
# Global Industry Trend

## Higher Bandwidth Required for Broadcast Services



Channels

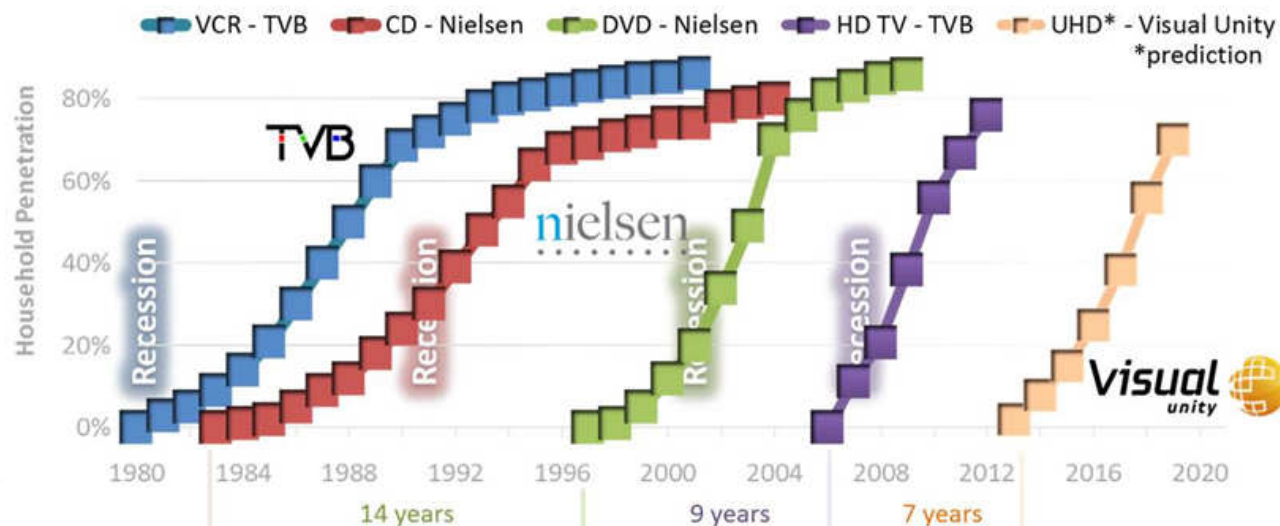
Global Ultra HD via Satellite Channels



- ✓ Nearly **1,000** Ultra HD channels in 2025
- ✓ Over **180** channels are from Asia Pacific
- ✓ CAGR **52%** from 2015 to 2025

Remark: DTH – Direct-to-Home

Audio-Video Adoption in USA Households



- ✓ Ultra HD to reach **70%** of USA households by 2019

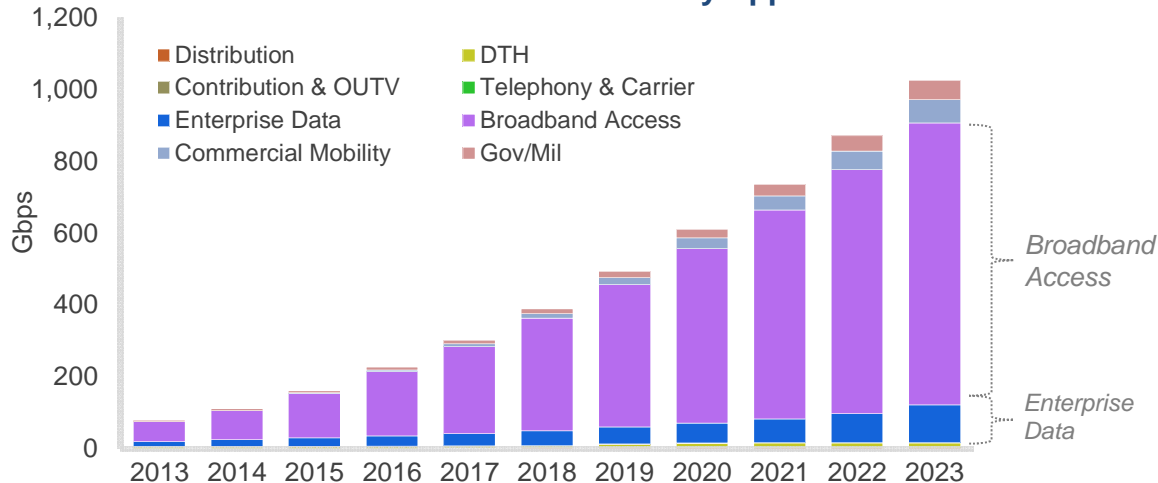
Source: <http://dusil.com/>, Visual Unity

# Global Industry Trend

## Exponential Growth of Broadband Demand



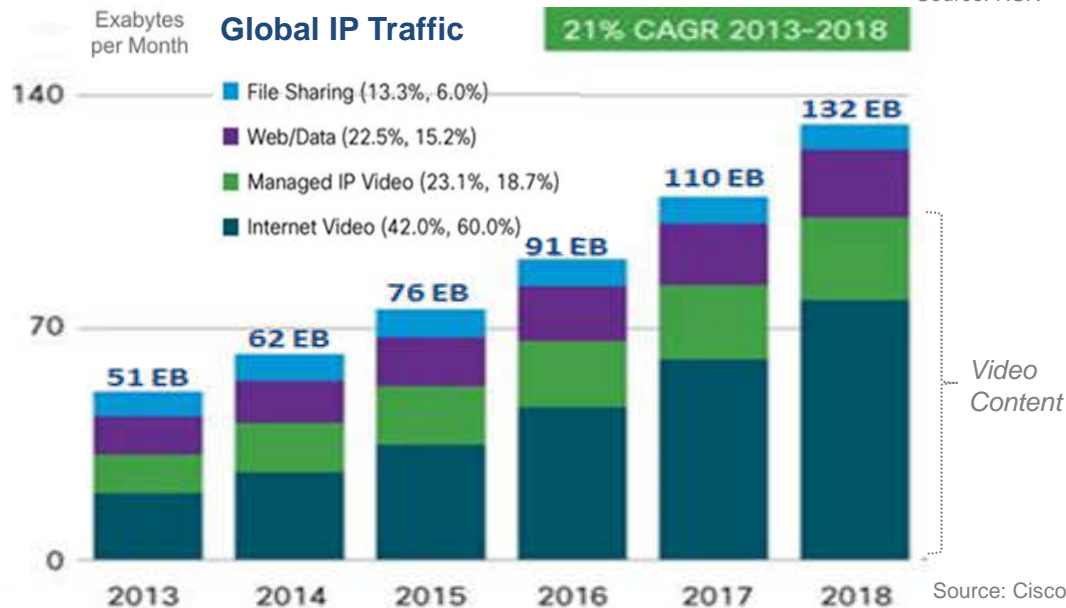
Global HTS Bandwidth Demand by Application



- ✓ Over **1,000** Gbps bandwidth demand for Global HTS in 2023
- ✓ With **6.6** million satellite broadband subscribers in 2023

Remark: HTS – High Throughput Satellite

Source: NSR

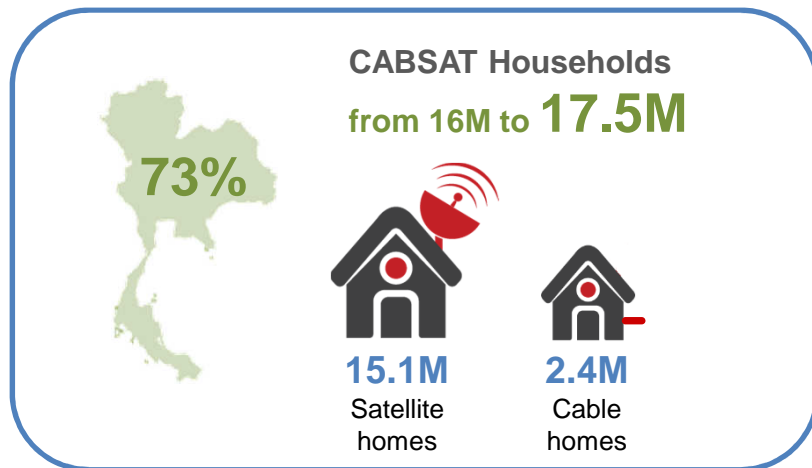


Source: Cisco VNI

- ✓ Annual global IP traffic will pass the zettabyte threshold (**1,000** exabytes) by 2016
- ✓ Video content to account for **79%** of total IP traffic in 2018

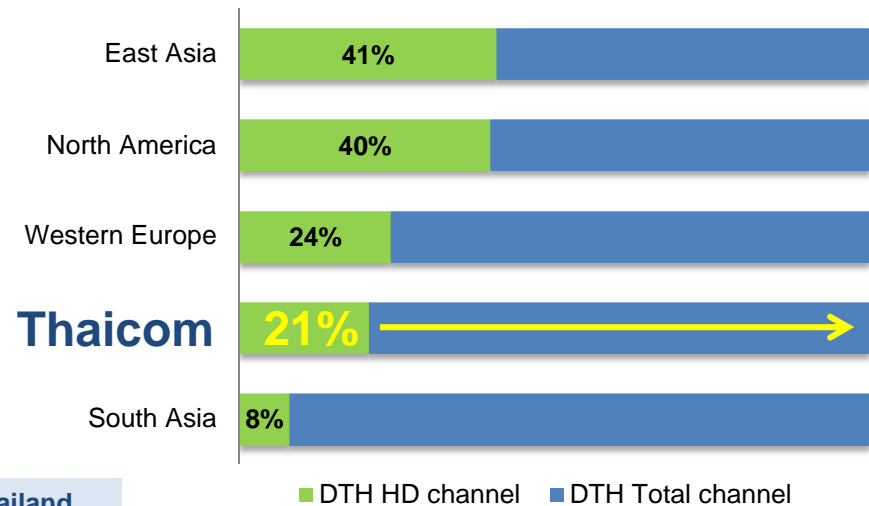
# Domestic Industry Trend

## Increased CABSAT Households with Strong HD Growth

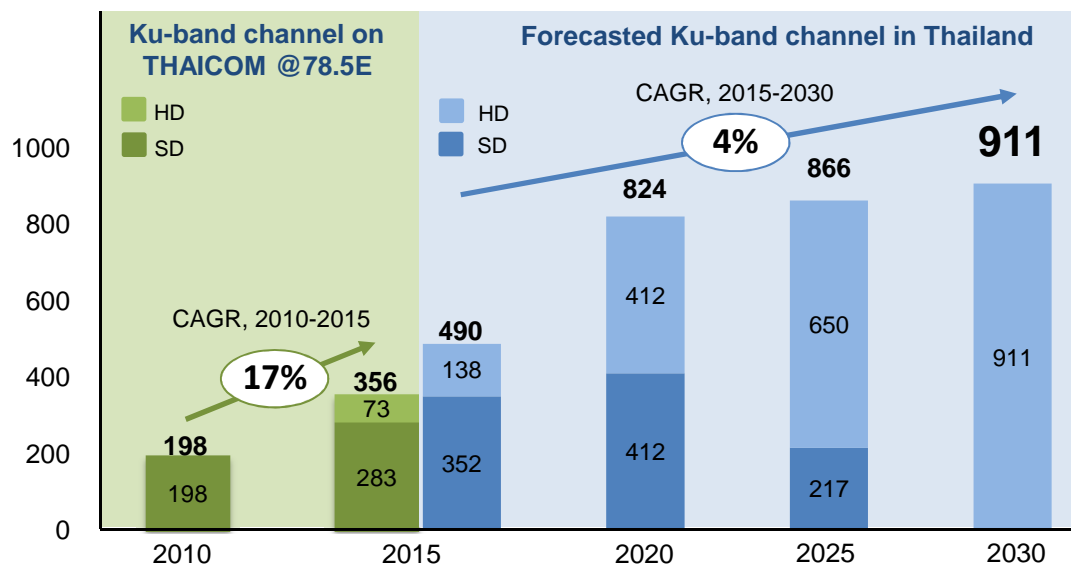


Source : Nielsen

### DTH HD Channel Penetration, 2015



Source: NSR and Thaicom PLC, (Thailand Q1'15)



Source : Thaicom PLC (2010-Q1'15); Value Partner (2015-2030)

- ✓ Ku-band channels to grow **160%** in the next 15 years
- ✓ By 2030, all channels will be **HD**

Remark: CABSAT – Cable and Satellite

# Moving Forward



2014      2015      2016      2017      2018      2019      2020

## Fleet Expansion

TC8

Satellite Manufacturing

Commercial

New  
Satellites

Business Development

Satellite Manufacturing

Commercial

## Products & Services

UHD

Demos, Tests

Soft launches

Full Commercial Service

OAP

First Commercial

Service Expansion

Mobility

First Commercial

Service Expansion

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Remark:  
UHD – Ultra High Definition  
OAP – Open Access Platform

THAICOM PLC. Proprietary & Confidential 15







# Appendix



# Awards & Distinctions: Thailand



**“Best CEO Award”**  
for Listed Companies 2014  
by Investment Analysts Association (IAA)



**“ESG 100 Award”**  
2014  
by Thaipat Institute



*A- with Stable Outlook*

**TRIS**  
**RATING** **A-**



**Excellent**  
**CG Scoring**  
**2014**



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# Awards & Distinctions: International



## “Satellite Executive of the Year ”

in the Asia-Pacific by the Asia-Pacific Satellite Communications Council (APSCC)



## “Excellence Awards”

Corporate Social Responsibility  
from Via Satellite, USA



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## Rank #10 in Global Top Fixed Satellite Service Operators

**SPACE NEWS**

The List | 2013 Top Fixed Satellite Service Operators



Rank	Company	Location	2013 Revenue	2012 Revenue	Satellites in Orbit	Satellites on Order
1	Intelsat	Luxembourg	\$2.64 billion	\$2.61 billion	55	7
2	SES	Luxembourg	\$2.56 billion	\$2.41 billion	55	3
3	Eutelsat	France	\$1.79 billion	\$1.66 billion	37	6
4	Telesat	Canada	\$838.6 million	\$846.0 million	10	1
5	Sky Perfect Jsat	Japan	\$594.9 million	\$659.4 million	16	3
6	Arabsat	Saudi Arabia	\$341 million	\$300.5 million	6	1
7	Star One	Brazil	\$330 million	\$315 million	7	2
8	SingTel Optus	Australia	\$281 million	\$341 million	4	1
9	Hispasat	Spain	\$277.3 million	\$264.4 million	7	2
10	<b>THAICOM</b>	Thailand	\$245.8 million	\$239.7 million	3	2
11	China Satcom	China	\$230 million	\$205 million	11	2
12	AsiaSat	Hong Kong	\$193.4 million	\$243.2 million	4	3
13	Nilesat	Egypt	\$180.9 million	\$165.8 million	2	0
14	Russian Satellite Communications Co.	Russia	\$176.8 million	\$209 million	11	4
15	Indian Space Research Organisation	India	\$170 million	\$160 million	8	5

## Rank #3 in terms of Revenue per Satellite



## Top 50 ASEAN CG Scorecard

