

**- Translation -**

TC-CP 051/2011

December 15, 2011

Subject: Notification of entry into a contract with Asia Satellite Telecommunications Co., Ltd.

To: The President  
Stock Exchange of Thailand

The Board of Directors of THAICOM Public Company Limited (the "Company") at its Meeting No.17/2554 held on 10 November 2011, at 15:00hrs at the Ballroom 2 room of the Sheraton Grande Sukhumvit Hotel, 250 Sukhumvit Road, Bangkok 10110 approved the execution of the cooperation agreement with Asia Satellite Telecommunications Company Limited in order to preserve 120 degree East orbital slot and to develop and build a satellite to provide satellite services by authorizing Chief Executive Officer of the Company to execute the cooperation agreement with Asia Satellite Telecommunications Company Limited under conditions agreed by the board of directors' meeting on the Company's behalf.

On 15 December 2011, Chief Executive Officer of the Company has signed the cooperation agreement with Asia Satellite Telecommunications Company Limited, to cooperate in preserving the 120 degrees East orbital slot and to develop and build a satellite to provide satellite services. The total investment value of the agreement is approximately 171 million US\$ (with an exchange rate of 31.3903 Baht per 1 US\$ as on 14 December 2011) or approximately 5,368 Million Baht.

The transaction is considered an acquisition of an asset by listed company with the transaction size of 19.8% of its total assets (the audited financial statement as at 30 September 2011) and after including other acquisition of assets within the past 6 months which is the investment on Thaicom 6 Satellite Project the transaction size of which is 18.79 % of the total assets (reviewed financial statement as at 31 March 2011), the total transaction size will be 38.59% which is classified as a Tier 2 transaction in the Stock Exchange of Thailand's Announcement of 2004 related to the release of information and operations of registered companies in the acquisition or disposition of assets. When calculated under this regulation's Clause 7(3), the transaction has a value of 15 percent, or more, but less than 50 percent of the company's total assets, and as such the Company is required to notify the Stock Exchange of Thailand of this agreement, and notify the company's shareholders within 21 days of the disclosure of this information to the Stock Exchange of Thailand.

Yours faithfully,

*-Signed-*

Ms. Suphajee Suthumpun  
Director  
THAICOM Public Company Limited

## Report on the Acquisition of Assets of THAICOM Public Company Limited

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The Company has entered into a cooperation agreement with Asia Satellite Telecommunications Co., Ltd., to preserve the 120 degrees East orbital slot as was approved by the Company's Board of Directors at meeting No.17/2554 on 10 November 2011, with the following details:

1. Date and Year of Transaction: The Company entered into a cooperation agreement to preserve the 120 degrees East orbital slot and to develop and build a satellite to provide satellite services on 15 December 2011. The agreement has conditions which must be met before the agreement becomes effective, including the obtaining of approvals from relevant government authorities.
  2. Parties to the Contract: Asia Satellite Telecommunications Company Limited  
Relationship of the Parties: None
  3. General Nature of the Transaction  
Type of Transaction: The Company will jointly invest with Asia Satellite Telecommunications Co., Ltd., in preserving the 120 degrees East orbital slot, and in designing and building a satellite to provide and expand the company's business. Asia Satellite Telecommunications Co., Ltd., will pay for the initial investment and agrees that the Company will make installment payments twice a year for repayment throughout the operating life of the satellite which is approximately 15 years.
- Criteria and Size of Transaction: The transaction is considered an acquisition of an asset by listed company with the transaction size of 19.8% of its total assets (reviewed financial statement as at 30 September 2011) and after including other acquisition of assets within the past 6 months which is the investment on Thaicom 6 Satellite Project the transaction size of which is 18.79 % of the total assets (the audited financial statement as at 31 March 2011) the total transaction size will be 38.59% which is classified as a Tier 2 transaction in the Stock Exchange of Thailand's Announcement of 2004 related to the release of information and operations of registered companies in the acquisition or disposition of assets. When calculated under this regulation's Clause 7(3), the transaction has a value of 15 percent, or more, but less than 50 percent of the company's total assets, and as such the Company is required to notify the Stock Exchange of Thailand of this agreement, and notify the company's shareholders within 21 days of the disclosure of this information to the Stock Exchange of Thailand.

4. Details of Assets: The asset is a medium-size satellite with a total of 28 C-band transponders and has a useful life expectancy of approximately 15 years. The company will be the owner of the numbers of transponders not exceeding 14 transponders and will provide service on the mentioned transponders under the name Thaicom 7 satellite.
5. Value of Assets and Total: The total investment value of the agreement to preserve the 120 degrees East orbital slot, in the company's portion (14 transponders) is approximately 171 million US\$ (with an exchange rate of 31.3903 Baht per 1 US\$ as on 14 December 2011) or approximately 5,368 Million Baht. This amount includes the satellite, its launcher and insurance, ground system and project administrative cost. It is expected that Thaicom 7 will be completed and ready to provide services by early 2014.
6. Benefits to the Company: To improve the Company's earnings in the future. At this moment there appears to be an increasing demand for access to satellite C-Band transponders in South East Asia, South Asia and Australia.
7. Source of Fund: The Company will jointly invest with Asia Satellite Telecommunications Company Limited in order to preserve 120 degree East orbital slot and to develop and build a satellite to provide satellite services in order to expand the company's business. Asia Satellite Telecommunications Company Limited will pay the entire investment, and the Company will repay its share of such investment in installments of twice a year to Asia Satellite Telecommunications Company Limited throughout the operating life of the satellite which is approximately 15 years.
8. Opinion of the Board: The Company's Board of Directors approved the Company's actions to cooperate and invest in the preservation of the 120 degrees East orbital slot as was presented by the Company's Management team, as the action will help to preserve the 120 degrees East orbital slot for Thailand, and improve the Company's competitive potential, which will benefit both the country and the Company in the long term.
9. Dissenting or other views from the Audit Committee and/or other members of the Board of Directors not reflected above: None

Yours faithfully,

*-Signed-*

Ms. Suphaje Suthumpun  
Director  
THAICOM Public Company Limited