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13 February 2013

Subject: Submission of the Audited Financial Statements for the Year 2012

To: The President
Stock Exchange of Thailand

Enclosure: (1) One Set of the Audited Financial Statements for 2012 – Thai Language Version
(2) One Set of the Audited Financial Statements for 2012 – English Language Version
(3) Management Discussion and Analysis for 2012

Thaicom Company Limited (“the Company”) would like to submit its audited financial statements for the year 2012, ended December 31, 2012 together with an explanation of changes in operating results.

The Company reported consolidated total revenue for 2012 of Baht 7,392 million and consolidated net profit for 2012 of Baht 174 million. This is an explanation of the changes in operating results of the consolidated financial statements.

1. The Company’s consolidated total revenue for 2012 amounted to Baht 7,392 million, an increase of Baht 619 million or 9.1% over the previous year (Baht 6,773 million). This was due to the following reasons:
 - Revenue from satellite transponders and related services in 2012 was Baht 6,279 million, an increase of Baht 595 million or 10.5% compared to Baht 5,684 million last year. This was mainly because of revenue growth from satellite transponder leasing service provided to broadcasting satellite operators and from value-added services, and IPSTAR service revenue growth from an increase in bandwidth usage.
 - Revenue from telephone services in Lao PDR in 2012 was Baht 702 million, increased by Baht 128 million or 22.3% over the previous year (Baht 574 million) due to a continued increase in average revenue per subscriber (ARPU) in 2012.
 - Revenue from Internet access and media services in 2012 was Baht 285 million, a decrease of Baht 81 million or 22.1% from Baht 366 million in 2011 due to a drop in the sale of Dtv satellite dish and IRD box.
 - Net foreign exchange gain was Baht 20 million in 2012.



2. The Company's consolidated expenses for 2012 amounted to Baht 6,527 million, an increase of Baht 79 million or 1.2% over the previous year (Baht 6,448 million). This was due to the following reasons:
- An impairment loss on non-current assets held for abandonment was Baht 175 million for 2012. This was because after 60 days from the agreement date of the sale of share of Mfone Company Limited (Mfone), the buyer could not fulfill the conditions precedent. Subsequently, on 7 January 2013, the Board of Directors approved the proposal of the management of the jointly-controlled entity to file Mfone into insolvency proceedings based on Cambodia Law due to Mfone's deteriorating financial position and continued operating loss; its cash flow has been insufficient for operation and debt repayment.
 - Cost relating to satellite transponders and related services in 2012 was Baht 3,848 million, a decrease of Baht 42 million or 1.1% from Baht 3,890 million in 2011 due largely to lower cost of UT sales following the UT sales drop, offset by higher operating agreement fee paid to the Ministry of Information and Communication Technology (MICT) following the revenue growth and an increase in concession-fee rate.
 - Cost relating to telephone services in Lao PDR in 2012 was Baht 390 million, an increase by Baht 39 million or 11.1% from Baht 351 million in 2011, due mainly to increases in depreciation cost for the expanded telephone network and cost of inter-roaming.
 - Cost relating to Internet and media services in 2012 was Baht 246 million, a decrease of Baht 21 million or 7.9% from Baht 267 million in 2011 due to a decrease in cost of sale of Dtv satellite dish and IRD box corresponding to the sales drop.
 - Selling and administrative expenses in 2012 were Baht 1,447 million, an increase of Baht 43 million or 3.1% compared to Baht 1,404 million in 2011. This was due mainly to related expenses from filing Mfone into insolvency proceedings in 2012.
 - Finance costs totaled Baht 420 million in 2012, a decrease of Baht 32 million, or 7.1%, compared with Baht 452 million in 2011. This was because of the repayment of the principal amount of Baht 3,300 million of the debentures on 6 November 2012, resulting in a decrease in debenture interests in 2012 as compared to 2011.
3. Share of profit of associates in 2012 was Baht 164 million, an increase of Baht 23 million or 16.3% from Baht 141 million in 2011.
4. The Company reported income tax expense of Baht 347 million for 2012, a decrease of Baht 154 million or 30.7% from Baht 501 million for 2011, due mainly to the effect of corporate tax rate change in 2011.



5. Loss from discontinued operation, net of income tax, was Baht 508 million for 2012, an increase of Baht 41 million or 8.8% from Baht 467 million for 2011. The Company's consolidated financial statement for the year ended 31 December 2012 presents Mfone's operating results under "Loss from discontinued operation, net of income tax" separately from continuing operations.

Yours faithfully,

(Mr. Vuthi Asvasermcharoen)

Chief Financial Officer

Thaicom Public Company Limited



