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Ref No. TC 431/2014

8 August 2014

Subject: Submission of the Reviewed Financial Statements for the Second Quarter of Year 2014

To: The President
Stock Exchange of Thailand

Enclosure: (1) One Set of the Reviewed Financial Statements for the Second Quarter of Year 2014 – Thai Language Version
(2) One Set of the Reviewed Financial Statements for the Second Quarter of Year 2014 – English Language Version
(3) Management Discussion and Analysis for the Second Quarter of Year 2014

Thaicom Company Limited (“the Company”) would like to submit its reviewed financial statements for the second quarter of year 2014, ended 30 June 2014 together with an explanation of changes in operating results.

The Company reported consolidated total revenue for Q2/2014 of Baht 2,479 million and consolidated net profit for Q2/2014 of Baht 498 million. This is an explanation of the changes in operating results of the consolidated financial statements.

1. The Company’s consolidated total revenue for Q2/2014 amounted to Baht 2,479 million, an increase of Baht 529 million or 27.1% over the same period last year (Baht 1,950 million). This was due to the following reasons:
 - Revenue from satellite transponder leasing and related services in Q2/2014 was Baht 2,157 million, an increase of Baht 570 million or 35.9% compared to Baht 1,587 million in the same period last year. This was primarily contributed by conventional satellite transponder leasing service provided to broadcasting satellite operators and value-added services, and IPSTAR service following an increase in bandwidth usage.
 - Revenue from telephone and Internet access services in Lao PDR in Q2/2014 was Baht 265 million, increased by Baht 65 million or 32.5% over the same period last year (Baht 200 million) due to increases in revenue from mobile phone and CDMA fixed wireless services, revenue from Internet access services, revenue from interconnection charge, revenue from sale of SIM card and fixed wireless handset.
 - Revenue from media services in Q2/2014 was Baht 39 million, an increase of Baht 10 million or 34.5% from Baht 29 million in Q2/2013 due to a growth in the sale of Dtv satellite dish and IRD box in Cambodia.

2. The Company's consolidated expenses for Q2/2014 amounted to Baht 1,911 million, an increase of Baht 152 million or 8.6% over the same period last year (Baht 1,759 million). This was due to the following reasons:
 - Cost relating to transponder leasing and related services in Q2/2014 was Baht 1,184 million, an increase of Baht 302 million or 34.2% from Baht 882 million in Q2/2013 primarily due to increases in depreciation cost for an increase in assets for the Thaicom 6 project, and operating agreement fee paid to the Ministry of Information and Communication Technology (MICT) following the revenue growth.
 - Cost relating to telephone and Internet access services in Lao PDR in Q2/2014 was Baht 140 million, an increase of Baht 11 million or 8.5% from Baht 129 million in Q2/2013, due mainly to increases in cost of interconnection charge following the airtime revenue growth, and cost of sale of SIM card and fixed wireless handset following the sale growth.
 - Cost relating to media services in Q2/2014 was Baht 44 million, an increase of Baht 14 million or 46.7% from Baht 30 million in Q2/2013 due to an increase in cost of sale of Dtv satellite dish and IRD box corresponding to the sales growth in Cambodia.
 - Selling and administrative expenses in Q2/2014 were Baht 441 million, an increase of Baht 88 million or 24.9% compared to Baht 353 million in Q2/2013. This was due mainly to increases in marketing expenses for the satellite business, marketing expenses and provision for doubtful debts for the telephone and Internet access business in Lao PDR, and provision for obsolete inventory for the media business.
 - Loss on foreign exchange in Q2/2014 was Baht 13 million.
 - Finance costs totaled Baht 95 million in Q2/2014, an increase of Baht 29 million or 43.9% from Baht 66 million in Q2/2013 due to interest expenses on long-term loan for the Thaicom 6 project.
3. Share of profit of associates in Q2/2014 was Baht 42 million, a decrease of Baht 6 million or 12.5% from Baht 48 million in Q2/2013.
4. The Company reported income tax expense of Baht 113 million for Q2/2014, an increase of Baht 64 million or 130.6% from Baht 49 million for Q2/2013.

Yours faithfully,

(Mr. Vuthi Asvasermcharoen)
Chief Financial Officer
Thaicom Public Company Limited