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11 February 2015

Subject: Submission of the Audited Financial Statements for the Year 2014

To: The President
Stock Exchange of Thailand

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

Thaicom Public Company Limited (“the Company”) would like to submit its audited financial statements for the year 2014, ended December 31, 2014 together with an explanation of changes in operating results.

The Company reported total consolidated revenue for 2014 of Baht 10,376 million, an increase of Baht 638 million or 6.6% over the same period last year (Baht 9,738 million), and consolidated net profit for 2014 of Baht 1,601 million, an increase of Baht 473 million or 41.9% over the same period last year (Baht 1,128 million). This is an explanation of the changes in operating results of the consolidated financial statements.

1. The Company reported total consolidated revenue for 2014 of Baht 10,376 million, an increase of Baht 638 million or 6.6% over the same period last year (Baht 9,738 million). This was due to the following reasons:
 - Revenue from satellite transponders and related services in 2014 was Baht 8,784 million, a rise of Baht 1,820 million or 26.1% compared to Baht 6,964 million in 2013. This was mainly because of revenue growth from satellite transponder leasing service especially the Thaicom 6’s leasing service which commenced broadcasting services since February 2014, and also the Thaicom 7’s revenue recognition starting in November 2014, IPSTAR bandwidth leasing service in most countries, revenue growth from value-added services e.g. teleport services including tape playout and digital signal compression, and revenue growth from equipment for installation of satellite application network, user terminal (UT), and the installation revenue for in-flight connectivity services.
 - Revenue from telephone and Internet services in Lao PDR in 2014 was Baht 1,076 million, up by Baht 239 million or 28.6% compared to Baht 837 million in 2013. The revenue growth was mainly contributed by increases in revenue from prepaid and postpaid mobile phone services, resulting from higher mobile phone subscriber base of both services and



- higher average revenue per subscriber of prepaid service, revenue from sale of SIM card and fixed wireless handset, revenue from CDMA fixed wireless service, following an significant increase in subscriber base and higher average revenue per subscriber, and revenue from Internet access services, following an increase in the number of subscribers and higher average revenue per subscriber.
- Revenue from media services in 2014 was Baht 216 million, up by Baht 24 million or 12.5% from Baht 192 million in 2013. This was due mainly to revenue increase in sale of DTV satellite dish sets and HD boxes, following higher sales volume in Thailand and Cambodia.
 - Gain on foreign exchange in 2014 was Baht 59 million.
2. The Company's total consolidated expenses for 2014 amounted to Baht 8,262 million, a decrease of Baht 153 million or 1.8% over the previous year (Baht 8,415 million). This was due to the following reasons:
- Cost relating to transponder leasing and related services in 2014 was Baht 5,140 million, an increase of Baht 1,090 million or 26.9% from Baht 4,050 million in 2013 due largely to higher operating fee under Agreement for Operation of Domestic Communication Satellites (concession agreement) to Ministry of Information and Communication Technology and operating fee under Telecom Operation License to the National Broadcasting and Telecommunications Commission together with higher cost relating equipment sale, and depreciation cost for an increase in assets of the Thaicom 6 and 7 satellites, net with a decrease in existing depreciation cost and transponder rental from acquiring an interim satellite to provide services at 78.5 degrees East orbital slot ahead of the launch of the Thaicom 6 satellite.
 - Cost relating to the telephone and Internet businesses in Lao PDR for 2014 amounted to Baht 552 million, an increase of Baht 34 million or 6.6% from Baht 518 million in 2013, due mainly to increases in cost of interconnection charge and international sharing charge following the revenue growth and cost of sale of SIM card and fixed wireless handset following the sale growth.
 - Cost relating to media business in 2014 was Baht 205 million, up by Baht 30 million or 17.1% from Baht 175 million in 2013, which was due to an increase in cost of sales of DTV satellite dish and IRD box following the revenue increase and decrease of selling price to be in line with the market price.
 - Selling and administrative expenses in 2014 were Baht 1,857 million in 2014, an increase of Baht 318 million or 20.7% from Baht 1,539 million in 2013. This was due mainly to increases in staff expenses following the business expansion, marketing expenses for the telephone and Internet businesses in Lao PDR and media business, provision for obsolete inventory for the media business, offset by a decrease in provision for doubtful debts for the satellite business.
 - Finance costs totaled Baht 381 million in 2014, up by Baht 116 million, or 43.8%, compared with Baht 265 million in 2013. This was because of interests on long term loans





- for the Thaicom 6 and 8 satellites and the debentures for the Thaicom 7 satellite and partially for the Thaicom 8 satellite.
- The Adoption of TFRIC12 in the part of construction cost under operating agreement. The Company had construction cost under operating agreement for the Thaicom 6 satellite project of Baht 1,646 million in 2013. The cost decreased to Baht 172 million in 2014, which was the remaining construction cost for the Thaicom 6 satellite project.
3. Share of loss of associates in 2014 was Baht 63 million, down by Baht 258 million or 132.3% from a profit of Baht 195 million in 2013. This was mainly due to Teleinfo Media Public Company Limited, CS Loxinfo Public Company Limited's subsidiary, impairment loss for goodwill amounting to Baht 550 million caused sharing of Baht 231 million to the Company.
 4. The Company reported income tax expense of Baht 450 million, an increase of Baht 111 million 32.7% from Baht 339 million in 2013

Yours faithfully,

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



