REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS

THAICOM PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Thaicom Public Company Limited and its subsidiaries and the separate statement of financial position of Thaicom Public Company Limited as at September 30, 2016, and the related consolidated and separate statements of profit or loss and profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2016, and the consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2016, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Other matter

The consolidated statement of financial position of Thaicom Public Company Limited and its subsidiaries and the separate statement of financial position of Thaicom Public Company Limited as at December 31, 2015, presented herein as comparative information, were audited by another auditor, whose report thereon dated February 10, 2016 expressed an unmodified opinion on those statements. The consolidated and the separate statements of profit or loss and profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2015 and the consolidate and separate statements of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2015, presented herein as comparative information, were reviewed by another auditor, whose report thereon dated November 10, 2015, concluded that nothing had come to their attention that caused them to believe that such interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
November 9, 2016

Thaicom Public Company Limited and its Subsidiaries
Statements of financial position
At 30 September 2016

	Notes	Consolidated financial statements		Separate financial statements	
		(Unaudited) 30 September 2016	31 December 2015	(Unaudited) 30 September 2016	31 December 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Assets					
Current assets					
Cash and cash equivalents		2,773,566	3,401,141	738,170	1,253,747
Current investments	4	2,395,610	1,645,153	2,354,706	1,574,221
Trade and other receivables	5	2,229,594	2,417,498	1,748,680	1,361,316
Amounts due from related parties	3	145,256	82,403	247,172	211,887
Short-term loan to a joint venture	3	17,607	168,521	17,607	168,521
Inventories		201,305	229,799	141,167	160,424
Other current assets		13,009	60,604	14,899	32,865
Total current assets		**7,775,947**	**8,005,119**	**5,262,401**	**4,762,981**
Non-current assets					
Long-term loans to related parties	3	2,077,672	2,161,864	2,107,672	2,161,864
Investments in subsidiaries	6	-	-	1,362,768	1,460,031
Investments in a joint venture	6	1,341,134	1,210,351	137,639	137,639
Property, plant and equipment	7	9,502,867	9,031,834	8,609,877	8,073,204
Intangible assets under operating agreement	7	9,713,113	11,227,187	9,713,113	11,227,187
Deferred charges	7	18,157	19,653	18,157	19,668
Intangible assets	7	741,141	829,135	445,492	515,935
Deferred tax assets		250,775	240,036	88,278	86,460
Other non-current assets		560,291	866,580	532,086	838,417
Total non-current assets		**24,205,150**	**25,586,640**	**23,015,082**	**24,520,405**
Total assets		**31,981,097**	**33,591,759**	**28,277,483**	**29,283,386**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statements of financial position (Continued)
At 30 September 2016

	Notes	Consolidated financial statements (Unaudited) 30 September 2016 Baht'000	Consolidated financial statements 31 December 2015 Baht'000	Separate financial statements (Unaudited) 30 September 2016 Baht'000	Separate financial statements 31 December 2015 Baht'000
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	8	334,627	1,650,521	104,627	1,460,521
Trade and other payables		1,048,533	1,225,858	376,138	581,436
Accounts payable - property and equipment		13,776	92,463	13,691	92,454
Amounts due to related parties	3	379	224	2,729	2,540
Current portion of long-term borrowings	8	708,145	69,063	647,237	7,992
Short-term borrowings from related party	3	-	-	1,083,931	1,126,768
Advance receipts from customers		489,145	733,956	104,105	676,917
Accrued operating agreement fee		60,388	333,402	60,388	333,402
Income tax payable		81,172	161,902	61,163	55,973
Other current liabilities		75,845	112,542	53,063	72,919
Total current liabilities		**2,812,010**	**4,379,931**	**2,507,072**	**4,410,922**
Non-current liabilities					
Long-term accounts payable					
- property and equipment		240,641	250,151	240,641	250,151
Long-term borrowings	8	9,151,270	10,030,358	9,057,147	9,905,130
Employee benefits obligations		427,396	404,260	229,404	208,848
Other non-current liabilities		365,796	416,278	343,781	392,876
Total non-current liabilities		**10,185,103**	**11,101,047**	**9,870,973**	**10,757,005**
Total liabilities		**12,997,113**	**15,480,978**	**12,378,045**	**15,167,927**
Equity					
Share capital	9				
Authorised share capital		5,499,884	5,494,513	5,499,884	5,494,513
Issued and paid-up share capital		5,479,970	5,479,688	5,479,970	5,479,688
Premium on ordinary shares	9	4,305,387	4,301,990	4,305,387	4,301,990
Retained earnings					
Appropriated					
Legal reserve		549,451	549,451	549,451	549,451
Unappropriated		7,728,458	6,715,451	5,545,347	3,767,093
Other components of equity		501,786	637,245	19,283	17,237
Equity attributable to owners of the Company		**18,565,052**	**17,683,825**	**15,899,438**	**14,115,459**
Non-controlling interests		418,932	426,956	-	-
Total equity		**18,983,984**	**18,110,781**	**15,899,438**	**14,115,459**
Total liabilities and equity		**31,981,097**	**33,591,759**	**28,277,483**	**29,283,386**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of profit or loss (Unaudited)
For the three-month period ended 30 September 2016

	Notes	Consolidated financial statements		Separate financial statements	
		30 September 2016	30 September 2015	30 September 2016	30 September 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Income	3				
Revenues from sales of goods and rendering of services		2,790,931	3,146,548	1,691,600	1,909,626
Construction revenue under operating agreement		105	544	105	544
Net foreign exchange gain		87,769	-	87,549	-
Other income		38,507	117,192	969,458	499,283
Total income		**2,917,312**	**3,264,284**	**2,748,712**	**2,409,453**
Expenses	3				
Cost of sale of goods and rendering of services		1,508,146	1,545,263	956,660	913,964
Construction cost under operating agreement		105	544	105	544
Operating agreements fee		248,704	278,256	248,704	278,256
Selling expenses		69,997	69,292	33,789	26,942
Administrative expenses		427,166	411,448	180,318	220,029
Directors and management benefit expenses		27,935	26,199	21,240	19,142
Net foreign exchange loss		-	453,698	-	469,179
Finance costs		107,732	85,681	105,487	81,696
Total expenses		**2,389,785**	**2,870,381**	**1,546,303**	**2,009,752**
Share of profit (loss) of investment in joint venture		50,681	(13,289)	-	-
Profit before income tax expense		**578,208**	**380,614**	**1,202,409**	**399,701**
Income tax expense		(100,834)	(65,525)	(69,882)	(6,966)
Profit for the period		**477,374**	**315,089**	**1,132,527**	**392,735**
Profit attributable to:					
Owner of the Company		433,765	265,291	1,132,527	392,735
Non-controlling interest		43,609	49,798	-	-
Profit for the period		**477,374**	**315,089**	**1,132,527**	**392,735**
Earnings per share (Baht)	11				
Basic earning per share		0.40	0.24	1.03	0.36
Diluted earning per share		0.40	0.24	1.03	0.36

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of profit or loss and other comprehensive income (Unaudited)
For the three-month period ended 30 September 2016

	Notes	Consolidated financial statements		Separate financial statements	
		30 September 2016	30 September 2015	30 September 2016	30 September 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Profit for the period		**477,374**	**315,089**	**1,132,527**	**392,735**
Other comprehensive income					
Items that will not be reclassified to profit or loss		**-**	**-**	-	**-**
Items that maybe reclassified to profit or loss					
Foreign currency translation differences for foreign operations		(64,212)	304,724	-	-
Changes in fair value of available-for-sale investment transfers to profit or loss		-	(77,686)	-	-
Changes in fair value of available-for-sale investment		92	(218,831)	92	-
Income tax on other comprehensive income		18	-	18	-
Other comprehensive income for the period, net of income tax		**(64,102)**	**8,207**	**110**	**-**
Total comprehensive income for the period		**413,272**	**323,296**	**1,132,637**	**392,735**
Total comprehensive income attributable to:					
Owners of the Company		370,225	270,465	1,132,637	392,735
Non-controlling interests		43,047	52,831	-	-
Total comprehensive income for the period		**413,272**	**323,296**	**1,132,637**	**392,735**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of profit or loss (Unaudited)
For the nine-month period ended 30 September 2016

	Notes	Consolidated financial statements		Separate financial statements	
		30 September 2016	30 September 2015	30 September 2016	30 September 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Income	3				
Revenues from sales of goods and rendering of services		8,902,621	9,158,969	5,452,188	5,572,390
Construction revenue under operating agreement		105	544	105	544
Net foreign exchange gain		206,635	-	249,975	-
Other income		128,261	447,442	1,645,148	592,596
Total income		**9,237,622**	**9,606,955**	**7,347,416**	**6,165,530**
Expenses	3				
Cost of sale of goods and rendering of services		4,502,765	4,653,471	2,787,966	2,838,919
Construction cost under operating agreement		105	544	105	544
Operating agreements fee		781,968	786,680	781,968	786,679
Selling expenses		227,811	231,960	112,657	97,711
Administrative expenses		1,266,277	1,285,476	556,221	629,458
Directors and management benefit expenses		85,134	79,986	64,705	58,934
Net foreign exchange loss		-	581,183	-	609,840
Finance costs		250,056	249,605	242,364	231,252
Total expenses		**7,114,116**	**7,868,905**	**4,545,986**	**5,253,337**
Share of profit of investment in joint venture	6	154,026	110,377	-	-
Profit before income tax expense		**2,277,532**	**1,848,427**	**2,801,430**	**912,193**
Income tax expense		(413,915)	(327,102)	(310,822)	(127,307)
Profit for the period		**1,863,617**	**1,521,325**	**2,490,608**	**784,886**
Profit attributable to:					
Owner of the Company		1,725,360	1,377,535	2,490,608	784,886
Non-controlling interest		138,257	143,790	-	-
Profit for the period		**1,863,617**	**1,521,325**	**2,490,608**	**784,886**
Earnings per share (Baht)	11				
Basic earning per share		1.57	1.26	2.27	0.72
Diluted earning per share		1.57	1.26	2.27	0.72

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of profit or loss and other comprehensive income (Unaudited)
For the nine-month period ended 30 September 2016

	Notes	Consolidated financial statements		Separate financial statements	
		30 September 2016	30 September 2015	30 September 2016	30 September 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Profit for the period		**1,863,617**	**1,521,325**	**2,490,608**	**784,886**
Other comprehensive income					
Items that will not be reclassified to profit or loss		**-**	**-**	**-**	**-**
Items that maybe reclassified to profit or loss					
Foreign currency translation differences for foreign operations		(133,359)	379,737	-	-
Changes in fair value of available-for-sale investment transfers to profit or loss		11,257	(335,560)	-	-
Changes in fair value of available-for-sale investment		(16,936)	(446,762)	92	-
Income tax on other comprehensive income		18	-	18	-
Other comprehensive income for the period, net of income tax		**(139,020)**	**(402,585)**	**110**	**-**
Total comprehensive income for the period		**1,724,597**	**1,118,740**	**2,490,718**	**784,886**
Total comprehensive income attributable to:					
Owners of the Company		1,587,966	970,965	2,490,718	784,886
Non-controlling interests		136,631	147,775	-	-
Total comprehensive income for the period		**1,724,597**	**1,118,740**	**2,490,718**	**784,886**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)
For the nine-month period ended 30 September 2016

		Consolidated financial statements											
				Retained earnings		Other components of equity							
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in a subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Nine-month period ended 30 September 2015													
Balance at 1 January 2015		**5,479,688**	**4,301,990**	**544,155**	**5,469,863**	**9,298**	**328,845**	**(45,877)**	**799,400**	**1,091,666**	**16,887,362**	**397,267**	**17,284,629**
Transactions with owners, recorded directly in equity													
Share-based payment transactions	9	-	-	-	-	7,683	-	-	-	7,683	7,683	-	7,683
Dividends to owners of the Company	12	-	-	-	(712,359)	-	-	-	-	-	(712,359)	(137,766)	(850,125)
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**(712,359)**	**7,683**	**-**	**-**	**-**	**7,683**	**(704,676)**	**(137,766)**	**(842,442)**
Comprehensive income for the period													
Profit		-	-	-	1,377,535	-	-	-	-	-	1,377,535	143,790	1,521,325
Other comprehensive income		-	-	-	-	-	-	375,752	(782,322)	(406,570)	(406,570)	3,985	(402,585)
Total comprehensive income for the period		**-**	**-**	**-**	**1,377,535**	**-**	**-**	**375,752**	**(782,322)**	**(406,570)**	**970,965**	**147,775**	**1,118,740**
Balance at 30 September 2015		**5,479,688**	**4,301,990**	**544,155**	**6,135,039**	**16,981**	**328,845**	**329,875**	**17,078**	**692,779**	**17,153,651**	**407,276**	**17,560,927**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)
For the nine-month period ended 30 September 2016

		Consolidated financial statements											
				Retained earnings		Other components of equity							
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Cumulative gain on dilution of investment in a subsidiaries	Foreign currency translation differences	Changes in fair value of available-for-sale investments	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Nine-month period ended 30 September 2016													
Balance at 1 January 2016		**5,479,688**	**4,301,990**	**549,451**	**6,715,451**	**17,237**	**328,845**	**285,392**	**5,771**	**637,245**	**17,683,825**	**426,956**	**18,110,781**
Transactions with owners, recorded directly in equity													
Shares options exercised	9	282	3,397	-	-	(3,679)	-	-	-	(3,679)	-	-	-
Share-based payment transactions	9	-	-	-	-	5,615	-	-	-	5,615	5,615	-	5,615
Dividends to owners of the Company	12	-	-	-	(712,353)	-	-	-	-	-	(712,353)	(144,656)	(857,009)
Total transactions with owners, recorded directly in equity		**282**	**3,397**	**-**	**(712,353)**	**1,936**	**-**	**-**	**-**	**1,936**	**(706,738)**	**(144,656)**	**(851,394)**
Comprehensive income for the period													
Profit		-	-	-	1,725,360	-	-	-	-	-	1,725,360	138,257	1,863,617
Other comprehensive income		-	-	-	-	-	-	(131,734)	(5,661)	(137,395)	(137,395)	(1,625)	(139,020)
Total comprehensive income for the period		**-**	**-**	**-**	**1,725,360**	**-**	**-**	**(131,734)**	**(5,661)**	**(137,395)**	**1,587,965**	**136,632**	**1,724,597**
Balance at 30 September 2016		**5,479,970**	**4,305,387**	**549,451**	**7,728,458**	**19,173**	**328,845**	**153,658**	**110**	**501,786**	**18,565,052**	**418,932**	**18,983,984**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)
For the nine-month period ended 30 September 2016

		Separate financial statements							
				Retained earnings					
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Other reserve for share-based payment	Changes in fair value of available-for-sale investments	Total other components of equity	Total equity
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Nine-month period ended 30 September 2015									
Balance at 1 January 2015		**5,479,688**	**4,301,990**	**544,155**	**3,676,733**	**9,298**	**-**	**9,298**	**14,011,864**
Transactions with owners, recorded directly in equity									
Share-based payment transactions	9	-	-	-	-	7,683	-	7,683	7,683
Dividends to owners of the Company	12	-	-	-	(712,359)	-	-	-	(712,359)
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**(712,359)**	**7,683**	**-**	**7,683**	**(704,676)**
Comprehensive income for the period									
Profit		-	-	-	784,886	-	-	-	784,886
Total comprehensive income for the period		**-**	**-**	**-**	**784,886**	**-**	**-**	**-**	**784,886**
Balance at 30 September 2015		**5,479,688**	**4,301,990**	**544,155**	**3,749,260**	**16,981**	**-**	**16,981**	**14,092,074**
Nine-month period ended 30 September 2016									
Balance at 1 January 2016		**5,479,688**	**4,301,990**	**549,451**	**3,767,092**	**17,237**	**-**	**17,237**	**14,115,458**
Transactions with owners, recorded directly in equity									
Shares options exercised	9	282	3,397	-	-	(3,679)	-	(3,679)	-
Share-based payment transactions	9	-	-	-	-	5,615	-	5,615	5,615
Dividends to owners of the Company	12	-	-	-	(712,353)	-	-	-	(712,353)
Total transactions with owners, recorded directly in equity		**282**	**3,397**	**-**	**(712,353)**	**1,936**	**-**	**1,936**	**(706,738)**
Comprehensive income for the period									
Profit		-	-	-	2,490,608	-	-	-	2,490,608
Other comprehensive income		-	-	-	-	-	110	110	110
Total comprehensive income for the period		**-**	**-**	**-**	**2,490,608**	**-**	**110**	**110**	**2,490,718**
Balance at 30 September 2016		**5,479,970**	**4,305,387**	**549,451**	**5,545,347**	**19,173**	**110**	**19,283**	**15,899,438**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)
For the nine-month period ended 30 September 2016

	Notes	Consolidated financial statements		Separate financial statements	
		30 September 2016	30 September 2015	30 September 2016	30 September 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities					
Profit for the period		1,863,617	1,521,325	2,490,608	784,886
Adjustments for					
Depreciation of property and equipment	7	538,496	467,446	364,651	296,120
Amortisation of intangible assets under operating agreements	7	1,514,179	1,512,848	1,514,179	1,512,848
Amortisation of deferred charges	7	1,496	24,396	1,511	24,515
Amortisation of intangible assets	7	95,707	102,572	71,235	72,048
Impairment on assets		-	26,774	-	24,993
Investment income		(90,813)	(385,395)	(1,515,305)	(475,632)
Share-based payment	9	5,615	7,683	5,615	7,683
Finance cost		250,056	249,605	242,364	231,252
(Gain) loss on exchange rate		(196,447)	600,154	(146,765)	531,181
Amortisation of borrowing costs	8	798	797	798	797
Bad and doubtful debts expense	5	98,351	44,405	90,810	25,247
(Reversal of) allowance for obsolete inventory		9,482	(16,679)	12,141	6,962
Gain on disposal of property and equipment		(8,261)	(3,577)	(14,773)	(2,069)
Write-off property and equipment		465	1,239	61	591
Write-off intangible assets		4	3	-	-
Share of profits of investment in joint venture	6	(154,026)	(110,377)	-	-
Income tax expense		413,915	327,102	310,822	127,307
		4,342,634	4,370,321	3,427,952	3,168,729
Changes in operating assets and liabilities					
Trade and other receivables		60,603	(207,354)	(509,451)	(89,180)
Amounts due from related parties		(62,844)	8,482	(38,891)	896
Inventories		19,117	40,518	7,184	(469)
Other current assets		21,360	(13,016)	15,105	(19,173)
Other non-current assets		303,891	(13,495)	293,756	(13,619)
Trade and other payables		(204,982)	(108,683)	(300,484)	(116,072)
Amounts due to related parties		155	743	427	(31,488)
Advance receipts from customers		(244,812)	(426,133)	(572,812)	(58,953)
Accrued operating agreement fee		(273,014)	(221,086)	(273,014)	(221,086)
Other current liabilities		(194,671)	(23,755)	(14,530)	(25,501)
Other non-current liabilities		(32,204)	21,489	(30,819)	13,851
Defined benefit obligations		12,554	1,987	15,078	5,564
Income tax paid		(499,404)	(245,566)	(312,078)	(82,428)
Net cash from operating activities		**3,248,383**	**3,184,452**	**1,707,423**	**2,531,071**

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited) (Continued)
For the nine-month period ended 30 September 2016

	Notes	Consolidated financial statements		Separate financial statements	
		30 September 2016	30 September 2015	30 September 2016	30 September 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from investing activities					
Interest received		99,472	49,276	93,978	41,778
Dividends received		-	-	1,423,728	198,381
Current investment		(767,394)	(199,637)	(780,394)	(524,221)
Payment for property and equipment		(1,003,973)	(754,190)	(898,101)	(643,752)
Proceeds from sale of property and equipment		12,885	4,277	20,796	2,451
Proceeds from short-term loan to a joint venture	3	150,200	118,807	150,200	118,807
Proceeds from long-term loan to subsidiary	3	-	-	-	9,844
Long-term loan to related parties		-	(1,648,621)	(30,000)	(1,740,599)
Purchase of intangible assets		(7,116)	(4,647)	(792)	(232)
Proceeds from capital reduction of subsidiary		-	-	112,922	-
Net cash outflow on investment in subsidary		-	-	(15,658)	-
Net cash from (used in) investing activities		**(1,515,926)**	**(2,434,735)**	**76,679**	**(2,537,543)**
Cash flows from financing activities					
Dividends paid to owners of the Company		(857,000)	(850,125)	(712,354)	(712,353)
Proceeds from short-term financial institutions	8	2,433,672	1,166,481	1,793,672	826,481
Repayments of short-term financial institutions	8	(3,749,704)	(657,306)	(3,149,704)	(277,306)
Proceeds from long-term borrowings		-	20,000	-	-
Repayments of long-term borrowings	8	(40,146)	(577,529)	(8,878)	(546,525)
Proceeds from short-term loan from related party		-	-	-	929,791
Interest paid		(146,766)	(221,722)	(222,345)	(203,168)
Net cash from (used in) financing activities		**(2,359,944)**	**(1,120,201)**	**(2,299,609)**	**16,920**
Net increase (decrease) in cash and cash equivalents		**(627,487)**	**(370,484)**	**(515,507)**	**10,448**
Cash and cash equivalents at 1 January		3,401,141	2,769,148	1,253,747	443,267
Effect of exchange rate changes on balances held in foreign currencies		(88)	(10,722)	(70)	(10,648)
Cash and cash equivalents at 30 September		**2,773,566**	**2,387,942**	**738,170**	**443,067**
Non-cash transactions					
Acquisition of property and equipment through credit		9,559	109,697	9,480	109,684
Finance lease liabilities		43,641	41,710	38,610	38,122

See condensed notes to the financial statements

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and the nine-month periods ended 30 September 2016 (Unaudited)

Note **Contents**

1. General information
2. Basis of preparation of the interim financial statements
3. Related parties
4. Current investments
5. Trade and other receivables
6. Investments in subsidiaries and a joint venture
7. Capital expenditure and commitments
8. Interest-bearing liabilities
9. Share capital and share-based payment transaction
10. Segment information
11. Earnings per share
12. Dividends
13. Commitments with non-related parties
14. Contingent liabilities
15. Other events
16. Events after reporting period

These interim financial statements have been approved for issue by the authorised directors on 9 November 2016.

1. General information

Thaicom Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 414 Phaholyotin Road, SamsenNai, Phayathai, Bangkok 10400.

The Company was listed on the Stock Exchange of Thailand in January 1994.

The Company's parent company during the period was Intouch Holdings Public Company Limited (41.14% shareholding) which is incorporated in Thailand.

The Company, its subsidiaries and a joint venture (collectively referred to as "the Group") are primarily involved in transponder service is for domestic and international communications, sale of user terminal of iPSTAR, broadband content services, sale of direct television equipment, internet data center services, internet services, satellite uplink-downlink services, providing technical support in relation satellite business, broadcasting television service, telecommunication, printing and publishing of business telephone directories, banner advertising, telephone network services, mobile contents, and engineering and development services on communication technology and electronics, which are mainly operated under agreements for operation.

The Group has operations in 11 countries; Thailand, Singapore, Cambodia, Lao PDR, Australia, New Zealand, the United States of America, Mauritius, the British Virgin Islands, Japan and India.

The Company obtained agreements for operation from the Ministry of Transport and Communications for a period of 30 years to operate and administer satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a 30-year period, service charges from users of the transponders. These agreements for operation have been transferred to the Ministry of Information Communication and Technology and will expire in 2021.

The Company received a license from the National Broadcasting and Telecommunications Commission ("NBTC"), to provide telecommunication services on its network for domestic and international communications. The license has a term of 20 years and will expire in 2032.

Details of the Company's subsidiaries and a joint venture as at 30 September 2016 and 31 December 2015 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			30 September 2016 (%)	31 December 2015 (%)
Direct subsidiaries				
DTV Service Company Limited	Sale of direct television equipment, providing system integration consultancy service for broadband network and broadband content service	Thailand	99.99	99.99
iPSTAR Company Limited	Providing Thaicom 4 transponder services	The British Virgin Islands	100	100
Star Nucleus Company Limited	Providing engineering and development services, technology and electronics	The British Virgin Islands	100	100
Spacecode LLC	Providing engineering and development services, technology and electronics	The United States of America	70	70
IPSTAR International Pte Limited	Providing Thaicom 4 transponder services and sale of satellite equipment of Thaicom 4	Singapore	100	100
IPSTAR Global Services Company Limited	Providing Thaicom 4 transponder services	Mauritius	100	100
Cambodian DTV Network Limited	Sale of direct television equipment	Cambodia	100	100
IPSTAR Australia Pty Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Australia	Australia	100	100
TC Broadcasting Company Limited	Providing broadcasting, television and telecommunication services	Thailand	99.99	99.99
IPSTAR Japan Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in Japan	Japan	100	100

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			30 September 2016 (%)	31 December 2015 (%)
IPSTAR New Zealand Company Limited	Providing Thaicom 4 transponder services and sale of user terminal of Thaicom 4 in New Zealand	New Zealand	100	100
International Satellite Company Limited	Providing Thaicom 7 and Thaicom 8 transponder services	Mauritius	100	100
IPSTAR (India) Private Limited	Sale of satellite equipment and providing technical support in relation satellite business	India	100	-
Indirect subsidiaries				
CS Loxinfo Public Company Limited	Providing internet data center service, internet and satellite uplink-downlink services	Thailand	42.07	42.07
Orion Satellite Systems Pty Limited	Providing satellite communication services and business solutions in Australia	Australia	100	100
Joint venture				
Shenington Investments Pte Limited	Holding company for investment in international telecommunications	Singapore	51	51
Joint ventures of Shenington Investments Pte Limited				
Lao Telecommunications Company Limited	Providing fixed line, mobile phone, public phone, public international facilities and Internet services	Lao PDR	24.99	24.99

Material intercompany transactions between the Company and its subsidiaries have been eliminated from this consolidated financial statements. The consolidated financial statements for the three-month and nine-month periods ended 30 September 2016 have included the subsidiaries' interim financial information for the three-month and nine-month periods ended 30 September 2016 which were reviewed.

2. Basis of preparation of the interim financial statements

2.1 Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2015) "Interim Financial Reporting"*;* guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2015. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2015.

The consolidated and separate statements of financial position as at 31 December 2015, presented herein for comparison, have been derived from the consolidated and separate financial statements for the year then ended which have been audited.

The results of operations for the three-month and nine-month periods ended 30 September 2016 are not necessarily indicative of the operating results anticipated for the full year.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2015 except that the Group has adopted all the new and revised TFRS that are effective for annual period beginning on or after 1 January 2016. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company.

2.2 Thai Financial Reporting Standards announced in the Royal Gazzette but not yet effective

The Federation of Accounting Professions issued the Guideline on Accounting regrading Derecognition of Financial Assets and Liabilities, which will be effective for the accounting period beginning on or after January 1, 2017 onwards.

The Company's and its subsidiaries' management has assessed the impact of this TFRS and believes that it will not have material impact on the financial statements for the period in which it is initially applied.

2.3 Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Group's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand in the notes to financial statements unless otherwise stated.

2.4 Judgements and estimates

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2015.

3. Related parties

Related parties are enterprises and/or individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Joint ventures and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by Intouch Holdings Public Company Limited ("Intouch") (incorporated in Thailand), which owns 41.14 % (31 December 2015: 41.14%) of the Company's shares. Transactions with Intouch Group and shareholders of the Intouch Group are recognised as related party transactions of the Group.

Sales and service transactions with related parties were conducted under normal commercial terms and conditions, which were the same as for other customers.

Significant transactions for the three-month periods ended 30 September 2016 and 2015 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
Three-month period ended	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Sales				
Sales and services income				
Parent	328	272	-	-
Subsidiaries	-	-	481,304	511,252
Related parties under common control	114,233	97,753	25,684	15,046
Other related party	402	615	-	-
Other income				
Subsidiaries	-	-	935,836	467,168
Joint venture	23,556	16,422	23,555	16,422
Related parties under common control	45	7	5	7
Total	**138,564**	**115,069**	**1,466,384**	**1,009,895**

	Consolidated financial statements		Separate financial statements	
	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Expenses				
Purchases of goods and services				
Parent	140	125	-	-
Subsidiaries	-	-	21,689	23,010
Joint venture	1,682	1,488	-	-
Related parties under common control	(209)	4,544	(3,885)	9
Other related party	11,942	12,099	4,230	3,952
Selling and administrative expenses				
Parent	36	678	36	588
Subsidiaries	-	-	275	1,480
Related parties under common control	2,561	4,473	1,138	1,477
Director and management remuneration	28,164	26,448	21,374	19,315
Finance cost				
Subsidiary	-	-	4,511	2,709
Total	**44,316**	**49,855**	**49,368**	**52,540**

Significant transactions for the nine-month periods ended 30 September 2016 and 2015 with related parties were as follows:

Nine-month period ended	Consolidated financial statements		Separate financial statements	
	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Sales				
Sales and services income				
Parent	651	675	-	-
Subsidiaries	-	-	1,569,621	1,419,398
Related parties under common control	350,484	273,539	83,010	41,640
Other related party	1,490	1,845	-	-
Other income				
Subsidiaries	-	-	1,533,364	530,881
Joint venture	70,895	24,863	70,895	24,862
Related parties under common control	54	921	14	810
Total	**423,574**	**301,843**	**3,256,904**	**2,017,591**

	Consolidated financial statements		Separate financial statements	
	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Expenses				
Purchases of goods and services				
Parent	140	125	-	-
Subsidiaries	-	-	67,090	66,465
Joint venture	4,899	4,372	-	-
Related parties under common control	12,667	14,297	27	20
Other related party	33,655	38,269	11,787	11,428
Selling and administrative expenses				
Parent	402	920	269	692
Subsidiaries	-	-	972	4,872
Related parties under common control	8,891	23,028	4,446	6,526
Director and management remuneration	85,819	80,730	65,107	59,454
Finance cost				
Subsidiary	-	-	13,222	2,709
Total	**146,473**	**161,741**	**162,920**	**152,166**

Balances as at 30 September 2016 and 31 December 2015 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Trade receivables and accrued income				
Trade receivables				
Parent	341	41	-	-
Subsidiaries	-	-	529,186	87,468
Related parties under common control	30,483	98,351	5,284	67,952
Other related party	58,128	61,110	2,812	2,926
Total	**88,952**	**159,502**	**537,282**	**158,346**
Accrued income				
Subsidiaries	-	-	231,858	215,702
Related parties under common control	37,741	36,009	4,945	5,125
Total	**37,741**	**36,009**	**236,803**	**220,827**
Total trade receivables and accrued income	**126,693**	**195,511**	**774,085**	**379,173**
Less allowance for doubtful accounts	(57,647)	(59,955)	(2,812)	(2,926)
Net	**69,046**	**135,556**	**771,273**	**376,247**
Other receivables				
Parent	86	-	86	-
Subsidiaries	-	-	142,545	171,708
Joint venture	104,541	40,179	104,541	40,179
Related parties under common control	30	-	-	-
Other related party	40,599	42,224	-	-
Total	**145,256**	**82,403**	**247,172**	**211,887**

Loan to related parties	**Consolidated financial statements**		**Separate financial statements**	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term loan				
Joint venture	17,607	168,521	17,607	168,521
	17,607	**168,521**	**17,607**	**168,521**
Long-term Loans				
Subsidiary	-	-	30,000	-
Joint venture	2,077,672	2,161,864	2,077,672	2,161,864
	2,077,672	**2,161,864**	**2,107,672**	**2,161,864**
Total	**2,095,279**	**2,330,385**	**2,125,279**	**2,330,385**

The short-term loan to a joint venture bears interest rate at the rate of LIBOR + 2.50 and LIBOR + 2.75 per annum and is repayable upon request.

The term of the long-term loan to subsidiary is 2 years. As at 30 September 2016, the interest rate at the rate of 4.41% per annum.

The term of the long-term loan to a joint venture is 10 years with the interest rate at the rate of LIBOR + 3.

Movements during the nine-month periods ended 30 September 2016 and 2015 of loans to subsidiary and a joint venture were as follows:

Nine-month period ended	**Consolidated and Separate financial statements**	
	30 September 2016	30 September 2015
	Baht'000	Baht'000
Short-term loans to a joint venture		
At 1 January	168,521	291,144
Decrease	(150,200)	(118,807)
Net foreign exchange gain (loss)	(714)	17,815
At 30 September	**17,607**	**190,152**

	Consolidated financial statements		**Separate financial statements**	
	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Long-term loans				
Subsidiary				
At 1 January	-	-	-	9,844
Increase	-	-	30,000	-
Decrease	-	-	-	(9,844)
At 30 September	**-**	**-**	**30,000**	**-**
Joint venture				
At 1 January	2,161,864	-	2,161,864	-
Increase	-	1,740,599	-	1,740,599
Unrealised gain (loss) on exchange	(84,192)	105,846	(84,192)	105,846
At 30 September	**2,077,672**	**1,846,445**	**2,077,672**	**1,846,445**

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Other current assets				
Subsidiaries	-	-	560	560
Related party under common control	2	-	2	-
Other related party	17	17	-	-
Total	**19**	**17**	**562**	**560**
Trade payables				
Parent	-	28	-	-
Subsidiaries	-	-	24,506	61,067
Joint venture	862	832	333	332
Related party under common control	3,583	6,046	-	196
Other related party	4,949	5,000	2,537	2,458
Total	**9,394**	**11,906**	**27,376**	**64,053**
Other payables				
Subsidiaries	-	-	2,410	2,384
Related party under common control	379	224	319	156
Total	**379**	**224**	**2,729**	**2,540**
Advance receipts from customers				
Parent	55	35	-	-
Subsidiaries	-	-	3,303	366,762
Related party under common control	3,314	8,899	12	3,941
Total	**3,369**	**8,934**	**3,315**	**370,703**
Accrued expenses				
Subsidiaries	-	-	16,118	3,504
Joint venture	1	-	1	-
Related party under common control	127	442	64	379
Other related party	17,808	13,545	-	-
Total	**17,936**	**13,987**	**16,183**	**3,883**
Other current liabilities				
Subsidiaries	-	-	14,609	5,334
Related party under common control	6,554	6,854	160	4,832
Total	**6,554**	**6,854**	**14,769**	**10,166**
Short-term borrowing from a subsidiary	**-**	**-**	**1,083,931**	**1,126,768**

As at 30 September 2016, short-term loan from a subsidiary bears interest at the rate of 1.64 per annum (31 December 2015: 1.43% per annum).

Movements during the nine-month periods ended 30 September 2016 and 2015 of short-term borrowing from a subsidiary was as follows:

	Separate financial statements	
Nine-month period ended	30 September 2016	30 September 2015
	Baht'000	Baht'000
At 1 January	1,126,768	-
Increase	-	929,791
Unrealised (gain) loss on exchange	(42,837)	56,638
At 30 September	**1,083,931**	**986,429**

Key management personnel compensation

Key management personnel compensation comprised:

	Consolidated financial statements		Separate financial statements	
Three-month period ended 30 September	2016	2015	2016	2015
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term employee benefits	26,074	23,740	19,544	16,807
Long-term benefits				
- Current service costs, included in administrative expenses	418	648	252	523
- Interest on obligation, included in finance costs	228	248	134	173
- Share-based payment	1,444	1,812	1,444	1,812
Total	**28,164**	**26,448**	**21,374**	**19,315**

Nine-month period ended 30 September	2016	2015	2016	2015
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term employee benefits	79,258	73,492	59,324	52,814
Long-term benefits				
- Current service costs, included in administrative expenses	1,253	1,943	758	1,569
- Interest on obligation, included in finance costs	685	744	402	520
- Share-based payment	4,623	4,551	4,623	4,551
Total	**85,819**	**80,730**	**65,107**	**59,454**

From time to time directors of the Group, or their related entities, may purchase goods from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers.

Directors' remuneration

The directors' remuneration represents monthly compensation, annual remuneration, and meeting fees and other benefits. The directors' remuneration was approved by the shareholders of the Company at their Annual General Meetings. The directors' remuneration is part of directors and management benefit expenses presented in the statement of profit or loss.

Significant agreements with related parties

1. The Company and subsidiary entered into agreements with a subsidiary, under which the Company and subsidiaries were committed to pay royalty fee at 1% of revenue from sale or lease of IPSTAR gateway, 1% of revenue from sale or lease of IPSTAR user terminal and 3% of revenue from sale or service of Thaicom 4.

2. The Company entered into agreements with subsidiaries and related parties under common control, under which the Company was committed to provide transponder service and advisory service. Subsidiaries and related parties under common control were committed to pay the Company for the service of the agreements at approximately USD 31.26 million and Baht 35.65 million (31 December 2015: approximately USD 45.16 million and Baht 49.58 million). The service fees of contracts vary to the actual used or number of installed user terminal at the rate stated in the contract.

3. The Company had entered into agreements with a certain related party, under which the related party was committed to maintain accounting program service. The company was committed to pay for the service in respect of the agreements at approximately Baht 0.77 million (31 December 2015: approximately Baht 5.63 million).

4. The Company had entered into agreements with a subsidiary, under which a subsidiary was committed to provide broadcasting, television and telecommunication service. The Company was committed to pay for the service in respect of the agreements at USD 6,480 per channel/ per year.

4. Current investments

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Current investments				
Short-term deposit and bill of exchange	1,758,165	1,609,221	1,653,165	1,574,221
Debt securities available for sale	637,445	-	701,541	-
Equity securities available for sale	-	35,932	-	-
Total	**2,395,610**	**1,645,153**	**2,354,706**	**1,574,221**

As at 30 September 2016, short-term deposit and bill of exchange have interest rates of 1.50% to 1.85% per annum (31 December 2015: 1.45% to 1.80% per annum) and mature within 1 year.

5. Trade and other receivables

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		Baht'000	Baht'000	Baht'000	Baht'000
Trade receivables					
Related parties	3	88,952	159,502	537,282	158,346
Other parties		1,481,834	1,564,532	627,587	520,976
Total		**1,570,786**	**1,724,034**	**1,164,869**	**679,322**
Accrued income					
Related parties	3	37,741	36,009	236,803	220,827
Other parties		593,020	557,310	364,473	381,282
Total		**630,761**	**593,319**	**601,276**	**602,109**
Other receivables					
Prepaid expenses		176,524	114,248	77,268	30,178
Advance payments		112,238	152,887	48,139	105,247
Others		48,767	64,389	10,690	9,196
Total		**337,529**	**331,524**	**136,097**	**144,621**
Total trade receivables accrued income and other receivables		**2,539,076**	**2,648,877**	**1,902,242**	**1,426,052**
Less allowance for doubtful accounts		(309,482)	(231,379)	(153,562)	(64,736)
Net		**2,229,594**	**2,417,498**	**1,748,680**	**1,361,316**

	2016	2015	2016	2015
	Baht'000	Baht'000	Baht'000	Baht'000
Bad and doubtful debts expenses for the nine-month period ended 30 September	**98,351**	**44,405**	**90,810**	**25,247**

Aging analyses for trade receivables were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Related parties				
Within credit terms	26,479	86,859	345,595	141,443
Overdue:				
Less than 3 months	4,472	11,285	104,099	5,755
3 - 6 months	-	505	83,798	17
6 - 12 months	-	153	-	-
Over 12 months	58,001	60,700	3,790	11,131
	88,952	**159,502**	**537,282**	**158,346**
Less allowance for doubtful accounts	(57,647)	(59,955)	(2,812)	(2,926)
	31,305	**99,547**	**534,470**	**155,420**
Other parties				
Within credit terms	612,381	384,534	144,882	121,344
Overdue:				
Less than 3 months	407,284	621,342	198,456	245,310
3 - 6 months	150,729	349,595	71,927	61,313
6 - 12 months	173,249	77,051	157,465	47,705
Over 12 months	138,191	132,010	54,857	45,304
	1,481,834	**1,564,532**	**627,587**	**520,976**
Less allowance for doubtful accounts	(251,835)	(171,424)	(150,750)	(61,810)
	1,229,999	**1,393,108**	**476,837**	**459,166**
Net	**1,261,304**	**1,492,655**	**1,011,307**	**614,586**

The normal credit term for general customers were granted by the Group ranging 15 - 120 days.

6. Investments in subsidiaries and a joint venture

Nine-month period ended	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	30 September 2015	30 September 2016	30 September 2015
		Baht'000	Baht'000	Baht'000	Baht'000
At 1 January		1,210,351	1,082,914	1,597,670	2,051,179
Addition		-	-	15,658	-
Capital return	6.2	-	-	(112,921)	-
Share of net profits of investments in a joint venture - equity method		154,026	110,377	-	-
Foreign currency translation adjustments		(23,243)	125,822	-	-
At 30 September		**1,341,134**	**1,319,113**	**1,500,407**	**2,051,179**

Investments in subsidiaries and a joint venture as at 30 September 2016 and 31 December 2015, and dividend income from those investments for the nine-month periods ended 30 September 2016 and 2015 were as follows:

	Consolidated financial statements									
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the nine-month periods ended	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	30 September 2015
	%	%			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Joint venture										
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	138	138	1,341	1,210	-	-
					138	**138**	**1,341**	**1,210**	**-**	**-**

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		Cost - net of impairment		Dividend income for the nine-month periods ended	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	30 September 2015
	%	%			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiaries												
DTV Service Company Limited	99.99	99.99	Baht 399 million	Baht 399 million	399	399	-	-	399	399	100	120
Spacecode LLC	70.00	70.00	USD 4 million	USD 4 million	118	118	-	-	118	118	-	-
iPSTAR Company Limited	100.00	100.00	USD 2 million	USD 2 million	157	157	-	-	157	157	838	-
Star Nucleus Company Limited	100.00	100.00	-	-	-	-	-	-	-	-	35	-
IPSTAR International Pte Limited	100.00	100.00	SGD 20,000	SGD 20,000	1	1	-	-	1	1	70	175
IPSTAR Global Services Company Limited	100.00	100.00	USD 20,000	USD 20,000	1	1	-	-	1	1	-	36
Cambodian DTV Network Limited	100.00	100.00	USD 600,000	USD 600,000	21	21	-	-	21	21	-	-
IPSTAR Australia Pty Limited	100.00	100.00	AUD 6.95 million	AUD 6.95 million	971	971	(454)	(454)	517	517	-	75
TC Broadcasting Company Limited	99.99	99.99	Baht 0.25 million	Baht 0.25 million	-	-	-	-	-	-	-	4
IPSTAR Japan Company Limited	100.00	100.00	JPY 100 million	JPY 100 million	33	33	-	-	33	33	-	-
IPSTAR New Zealand Company Limited	100.00	100.00	NZD 3.20 million	NZD 8.51 million	98	211	-	-	98	211	30	23
International Satellite Company Limited	100.00	100.00	USD 50,000	USD 50,000	2	2	-	-	2	2	347	-
IPSTAR (India) Private Limited	100.00	-	INR 30 million	-	16	-	-	-	16	-	-	-
Total					**1,817**	**1,914**	**(454)**	**(454)**	**1,363**	**1,460**	**1,420**	**433**
Joint venture												
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	**138**	**138**	-	-	**138**	**138**	-	-

Significant movements in investments in subsidiaries and joint venture for the nine-month period ended 30 September 2016 were as follows:

Subsidiaries

1. The incorporation of IPSTAR (India) Private Limited ("IPI")

   On 19 January 2016, the Company has incorporated IPSTAR (India) Private Limited. The authorised share capital of IPI is INR 30 million, divided into 30 million ordinary shares of INR 1 par value. The capital is fully paid up. The Company holds 30 million shares, equivalent to 100% shareholding.

2. Capital reduction of IPSTAR New Zealand Company Limited ("IPN")

   At the Board of Directors' meeting of IPN, on 25 May 2016, the directors approved the capital reduction from NZD 8.51 million to NZD 3.20 million. The return of capital payment of NZD 5.32 million was paid its shareholder in June 2016.

Commitments

According to the joint venture agreement between the Group and the Government of the Lao People's Democratic Republic, the Group must transfer all of LTC's shares to the Government of the Lao People's Democratic Republic, without any charges or compensation, on the expiration date of the joint venture agreement in 2046 (Note 13.2).

7. Capital expenditure and commitments

	Consolidated financial statements							
Nine-month period ended 30 September	2016				2015			
	Property, plant and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets	Property, plant and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Cost								
At 1 January	13,497,657	26,423,384	674,372	2,814,206	12,685,314	26,232,261	673,832	3,019,529
Additions	1,013,532	-	-	7,116	863,887	-	-	4,647
Transfers	142,119	(148,737)	-	6,503	(4,826)	544	-	-
Disposals	(75,306)	-	-	(687)	(121,136)	-	-	(987)
Write-offs	(70,602)	(41,737)	(654,139)	(5,730)	(116,851)	-	-	(7)
Foreign currency translation adjustments	6,070	-	-	(4,702)	4,159	-	-	(1,624)
At 30 September	**14,513,470**	**26,232,910**	**20,233**	**2,816,706**	**13,310,547**	**26,232,805**	**673,832**	**3,021,558**
Depreciation and amortisation								
At 1 January	4,465,823	15,196,197	654,719	1,985,071	4,332,683	12,982,920	629,468	2,052,711
Depreciation and amortisation charges for the period	538,496	1,514,179	1,496	95,707	467,446	1,512,848	24,396	102,572
Transfers	144,316	(148,842)	-	4,516	(2,420)	-	-	-
Disposals	(70,684)	-	-	(684)	(120,436)	-	-	(987)
Write-offs	(70,137)	(41,737)	(654,139)	(5,727)	(115,613)	-	-	(4)
Impairment loss	-	-	-	-	24,993	-	-	1,781
Foreign currency translation adjustments	2,789	-	-	(3,318)	(6,202)	-	-	7,711
At 30 September	**5,010,603**	**16,519,797**	**2,076**	**2,075,565**	**4,580,451**	**14,495,768**	**653,864**	**2,163,784**
Net book value								
At 1 January	9,031,834	11,227,187	19,653	829,135	8,352,631	13,249,341	44,364	966,818
At 30 September	9,502,867	9,713,113	18,157	741,141	8,730,096	11,737,037	19,968	857,774

The gross amount of the Group's fully depreciated property and equipment that was still in use as at 30 September 2016 amounted to Baht 2,830.79 million (31 December 2015: Baht 3,063.85 million)

	Separate financial statements							
Nine-month period ended 30 September	2016				2015			
	Property and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets	Property and equipment	Intangible assets under operating agreement	Deferred charges	Intangible assets
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Cost								
At 1 January	10,290,372	26,232,805	674,316	1,418,306	9,365,832	26,232,261	661,193	1,421,530
Additions	907,581	-	-	792	753,436	-	-	232
Transfers	(184)	105	-	-	(4,826)	544	-	-
Disposals	(89,794)	-	(654,139)	-	(65,170)	-	-	-
Write-offs	(10,869)	-	-	-	(63,907)	-	-	-
At 30 September	**11,097,106**	**26,232,910**	**20,177**	**1,419,098**	**9,985,365**	**26,232,805**	**661,193**	**1,421,762**
Depreciation and amortization								
At 1 January	2,217,168	15,005,618	654,648	902,371	2,019,607	12,982,920	616,502	806,269
Depreciation and amortisation charges for the period	364,651	1,514,179	1,511	71,235	296,120	1,512,848	24,515	72,048
Transfers	(11)	-	-	-	(2,420)	-	-	-
Disposals	(83,771)	-	-	-	(64,788)	-	-	-
Write-offs	(10,808)	-	(654,139)	-	(63,316)	-	-	-
Impairment loss	-	-	-	-	24,993	-	-	-
At 30 September	**2,487,229**	**16,519,797**	**2,020**	**973,606**	**2,210,196**	**14,495,768**	**641,017**	**878,317**
Net book value								
At 1 January	8,073,204	11,227,187	19,668	515,935	7,346,225	13,249,341	44,691	615,261
At 30 September	8,609,877	9,713,113	18,157	445,492	7,775,169	11,737,037	20,176	543,445

The gross amount of the Company's fully depreciated property and equipment that was still in use as at 30 September 2016 amounted to Baht 1,570.31 million (31 December 2015: Baht 1,491.49 million).

Capital expenditure commitments

Capital expenditure contracted but not provided for at the reporting date was as follows:

	Currency	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		thousands	thousands	thousands	thousands
THAICOM 8 Project	USD	-	18,554	-	18,554
Internet network	Baht	36,900	1,778	-	-
Total equivalent to Thai Baht		**36,900**	**674,413**	**-**	**672,635**

8. Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	Baht'000	Baht'000	Baht'000	Baht'000
Current				
Short-term loans				
Short-term loans from financial institution	334,627	1,650,521	104,627	1,460,521
Total short-term loans	334,627	1,650,521	104,627	1,460,521
Current portion of long-term borrowings				
Loans from financial institutions	699,983	60,000	639,983	-
Loans from others	8,162	9,063	7,254	7,992
Total current portion of long-term borrowings	708,145	69,063	647,237	7,992
Total current interest-bearing liabilities	1,042,772	1,719,584	751,864	1,468,513
Non-current				
Long-term borrowings				
Loans from financial institutions	4,569,880	5,442,203	4,479,880	5,322,203
Loans from others	35,478	43,041	31,355	37,813
Total long-term borrowings	4,605,358	5,485,244	4,511,235	5,360,016
Long-term debentures	4,545,912	4,545,114	4,545,912	4,545,114
Total non-current interest-bearing liabilities	9,151,270	10,030,358	9,057,147	9,905,130
Total	**10,194,042**	**11,749,942**	**9,809,011**	**11,373,643**

The movements in the borrowings can be analysed as follows:

	Consolidated financial statements	Separate financial statements
	Baht'000	Baht'000
For the nine-month period ended 30 September 2016		
At 1 January 2016	11,749,942	11,373,643
Proceeds from short-term loans from financial institutions	2,433,672	1,793,672
Proceeds from long-term loans net from finance costs	1,682	1,682
Repayment of short-term loans from financial institutions	(3,749,704)	(3,149,704)
Repayment of long-term borrowings	(40,146)	(8,878)
Amortisation of finance costs	798	798
Unrealised foreign exchange gain	(202,202)	(202,202)
At 30 September 2016	**10,194,042**	**9,809,011**

The Group has to maintain the financial ratios restricted in the long-term borrowing agreements and to comply with certain restrictions and maintain certain financial ratios under the terms and conditions of the debentures.

Credit facilities

As at 30 September 2016, available credit facilities for loans from local and overseas banks are Baht 5,856.68 million and USD 90.78 million (31 December 2015: Baht 5,106.94 million and USD 90.80 million).

9. Share capital and share-based payment transaction

	Par value per share (Baht)	2016		2015	
		Number Share'000	Amount Baht'000	Number Share'000	Amount Baht'000
Authorised					
At 1 January					
- ordinary shares	*5*	1,098,902	5,494,513	1,097,817	5,489,086
Increase of new shares	5	1,075	5,371	1,085	5,427
At 30 September					
- ordinary shares	***5***	**1,099,977**	**5,499,884**	**1,098,902**	**5,494,513**
Issued and paid-up					
At 1 January					
- ordinary shares	*5*	1,095,938	5,479,688	1,095,938	5,479,688
Issue of new shares from exercise warrants	*5*	56	282	-	-
At 30 September					
- ordinary shares	***5***	**1,095,994**	**5,479,970**	**1,095,938**	**5,479,688**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Issue of ordinary shares

At the annual general meeting of the shareholders of the Company held on 30 March 2016, a resolution was passed to approve the issuance of 1,074,300 ordinary shares at the par value of Baht 5 per share, in total of Baht 5,371,500 to reserve for the exercise of the warrant. The Company registered the increased share capital with the Ministry of Commerce on 16 May 2016.

At the annual general meeting of the shareholders of the Company held on 26 March 2015, a resolution was passed to approve the issuance of 1,085,300 ordinary shares at the par value of Baht 5 per share, in total of Baht 5,426,500 to reserve for the exercise of the warrant. The Company registered the increased share capital with the Ministry of Commerce on 8 May 2015.

Issue of new ordinary share under ESOP schemes as of 30 September 2016

	Exercise of warrants (unit)	Exercise price per share (Baht)	Issue of ordinary shares (shares)	Par value per share (Baht)	Share premium (Baht'000)	Registration date with the Ministry of Commerce
ESOP Grant I	158,157	23.266	56,400	5	3,397	23 June 2016
Total	**158,157**		**56,400**		**3,397**	

Share-based payment transaction

1. Information of project

The issuance and offering of warrants to purchase ordinary shares to directors and employees of the Company and its subsidiaries. The warrants are offered directly to employees who are full-time employed and qualify for the Performance Share Plan project ("Project"). Major information is listed below

	Project I	**Project II**	**Project III**	**Project IV**
Issued date:	28 March 2013	27 March 2014	26 March 2015	30 March 2016
Issued:	682,000 units	1,197,700 units	1,085,300 units	1,074,300 units
Exercise price:	23.266 Baht/Share	38.265 Baht/Share	37.626 Baht/Share	25.918 Baht/Share
Number of reserved shares:	682,000 shares	1,197,700 shares	1,085,300 shares	1,074,300 shares
Offer period:	5 years after first time to offered the warrant			
Offer price per unit:	Baht 0 (zero Baht)			
Exercise ratio:	One unit of warrant per one ordinary share			

Movements in the number of warrants outstanding are as follows:

	1 January 2016	Issue during the period	Return during the period	Exercise during the period	30 September 2016
	thousand unit	thousand unit	thousand unit	thousand unit	thousand unit
ESOP - Grant I					
Directors	77	-	(45)	(11)	21
Employees	437	-	(275)	(45)	117
Total	**514**	**-**	**(320)**	**(56)**	**138**
ESOP - Grant II					
Directors	115	-	-	-	115
Employees	860	-	(106)	-	754
Total	**975**	**-**	**(106)**	**-**	**869**
ESOP - Grant III					
Directors	89	-	-	-	89
Employees	691	-	(89)	-	602
Total	**780**	**-**	**(89)**	**-**	**691**
ESOP - Grant IV					
Directors	-	155	-	-	155
Employees	-	741	-	-	741
Total	**-**	**896**	**-**	**-**	**896**
Grand Total	**2,269**	**896**	**(515)**	**(56)**	**2,594**

2. Fair value measurement

The measurement is in reference to the fair value of the offered ordinary shares issued at the grant date using Monte Carlo Simulation techniques. The assumptions are as below:

	Project I	**Project II**	**Project III**	**Project IV**
Fair value at grant date	Baht 35.037	Baht 27.864	Baht 20.424	Baht 12.475
Share price at grant date	Baht 35.750	Baht 40.500	Baht 36.500	Baht 27.000
Exercise price	Baht 23.266	Baht 38.265	Baht 37.626	Baht 25.918
Expected volatility	55.392%	41.562%	39.894%	36.534%
Expected dividend	1.119%	1.111%	1.781%	2.407%
Risk-free interest rate	3.074%	3.082%	2.340%	1.721%

Reconciliation of other reserve-shared-based payment:

	Consolidate and Separate financial statements	
For nine-month period ended 30 September	2016	2015
	Baht'000	Baht'000
At 1 January	17,237	9,298
Total expense recognised in the statement of profit or loss during period	5,615	7,683
Decrease during period	(3,679)	-
At 30 September	**19,173**	**16,981**

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

10. Segment information

Segment information is presented in respect of the Group's business and geographic segments. The primary format, business segments / geographic segments is based on the Group's management and internal reporting structure.

Business segments

The Group comprises the following main business segments:

Segment 1	Services relating to the satellite business and the transponder services segment
Segment 2	Sales and services relating to the internet and media business
Segment 3	Sales and services relating to the telephone network business

Geographic segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographic location of customers.

The areas of operation in Thailand are principally satellite business services, internet and media services and printing and publishing of business telephone directories services. Lao PDRs' main activities are sales and services relating to telephone network business and satellite business services. Australia, China, India, Japan and Myanmar main activities are sales and services relating to satellite business.

The Group comprises the following main geographic segments:

Segment 1	Thailand
Segment 2	Australia
Segment 3	China
Segment 4	India
Segment 5	Japan
Segment 6	Myanmar
Segment 7	Others

Revenue and results, based on business segments, in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2016 and 2015 were as follows:

	Satellite business services		Internet services and media		Telephone network		Consolidation eliminations		Consolidated financial statements	
For the three-month period ended 30 September	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Revenues	2,032	2,303	780	862	-	-	(21)	(18)	2,791	3,147
Construction revenue under operating agreement	-	1	-	-	-	-	-	-	-	1
Shares of net results from a joint venture	-	-	-	-	51	(13)	-	-	51	(13)
Cost of sales and services	(1,283)	(1,279)	(496)	(561)	-	-	22	16	(1,757)	(1,824)
Construction cost under operating agreement	-	(1)	-	-	-	-	-	-	-	(1)
Selling and administrative expenses	(340)	(332)	(186)	(176)	-	-	1	1	(525)	(507)
Segment results	409	692	98	125	51	(13)	2	(1)	560	803
Other income									38	117
Net foreign exchange gain (loss)									88	(454)
Profit before finance cost and income tax									686	466
Finance costs									(108)	(86)
Operating profit									578	380
Income tax expenses									(101)	(65)
Non-controlling interests									(43)	(50)
Net profit									**434**	**265**

For the nine-month period ended 30 September	Satellite business services		Internet services and media		Telephone network		Consolidation eliminations		Consolidated financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Revenues	6,557	6,772	2,413	2,439	-	-	(67)	(52)	8,903	9,159
Construction revenue under operating agreement	-	1	-	-	-	-	-	-	-	1
Shares of net results from a joint venture	-	-	-	-	154	110	-	-	154	110
Cost of sales and services	(3,823)	(3,934)	(1,531)	(1,552)	-	-	69	46	(5,285)	(5,440)
Construction cost under operating agreement	-	(1)	-	-	-	-	-	-	-	(1)
Selling and administrative expenses	(1,033)	(1,068)	(550)	(536)	-	-	4	7	(1,579)	(1,597)
Segment results	1,701	1,770	332	351	154	110	6	1	2,193	2,232
Other income									128	447
Net foreign exchange gain (loss)									206	(581)
Profit before finance cost and income tax									2,527	2,098
Finance costs									(250)	(250)
Operating profit									2,277	1,848
Income tax expenses									(414)	(327)
Non-controlling interests									(138)	(144)
Net profit									**1,725**	**1,377**

Revenue and results, based on geographical segments, in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2016 and 2015 were as follows:

	Three-month periods ended 30 September		Nine-month periods ended 30 September	
	2016	2015	2016	2015
	Baht'000	Baht'000	Baht'000	Baht'000
Segment revenue				
Thailand	1,779,000	2,004,224	5,519,667	5,818,592
Australia	258,789	306,925	841,810	957,713
China	73,402	100,379	223,568	239,835
India	176,558	121,220	525,707	327,874
Japan	137,612	153,460	569,879	488,917
Myanmar	130,580	136,629	396,174	482,561
Others	234,990	323,711	825,816	843,477
Total	**2,790,931**	**3,146,548**	**8,902,621**	**9,158,969**

Major customers

For the three-month and nine-month periods ended 30 September 2016 and 2015, the Group has no revenue transactions with a single external customer amount to 10 percent or more of the Group's revenues.

11. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the three-month and nine-month periods ended 30 September 2016 and 2015 was based on the earnings for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during each period as follows:

	Consolidated financial statements		**Separate financial statements**	
For the three-month ended 30 September	2016	2015	2016	2015
	(thousand Baht/thousand share)			
Profit attributable to ordinary shareholders of the Company (basic)	**433,765**	**265,291**	**1,132,527**	**392,735**
Number of ordinary shares outstanding	**1,095,994**	**1,095,938**	**1,095,994**	**1,095,938**
Earnings per share (basic) *(in Baht)*	**0.40**	**0.24**	**1.03**	**0.36**
For the nine-month ended 30 September	2016	2015	2016	2015
	(thousand Baht/thousand share)			
Profit attributable to ordinary shareholders of the Company (basic)	**1,725,360**	**1,377,535**	**2,490,608**	**784,886**
Number of ordinary shares outstanding	**1,095,994**	**1,095,938**	**1,095,994**	**1,095,938**
Earnings per share (basic) *(in Baht)*	**1.57**	**1.26**	**2.27**	**0.72**

Diluted earnings per share

The calculation of diluted earnings per share for the three-month and nine-month periods ended 30 September 2016 and 2015 was based on the earnings for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements		Separate financial statements	
For the three-month ended 30 September	2016	2015	2016	2015
	(thousand Baht/thousand share)			
Profit attributable to ordinary shareholders of the Company (diluted)	**433,765**	**265,291**	**1,132,527**	**392,735**
Weighted average number of ordinary shares outstanding (basic)	1,096,012	1,095,938	1,096,012	1,095,938
Effect of exercise of shares options	-	195	-	195
Weighted average number of ordinary shares outstanding (diluted)	**1,096,012**	**1,096,133**	**1,096,012**	**1,096,133**
Earnings per share (diluted) *(in Baht)*	**0.40**	**0.24**	**1.03**	**0.36**
For the nine-month ended 30 September	2016	2015	2016	2015
	(thousand Baht/thousand share)			
Profit attributable to ordinary shareholders of the Company (diluted)	**1,725,360**	**1,377,535**	**2,490,608**	**784,886**
Weighted average number of ordinary shares outstanding (basic)	1,095,963	1,095,938	1,095,963	1,095,938
Effect of exercise of shares options	9	215	9	215
Weighted average number of ordinary shares outstanding (diluted)	**1,095,972**	**1,096,153**	**1,095,972**	**1,096,153**
Earnings per share (diluted) *(in Baht)*	**1.57**	**1.26**	**2.27**	**0.72**

12. Dividends

At the annual general meeting of the shareholders of the Company held on 30 March 2016, the shareholders approved the appropriation of dividend of Baht 0.65 per share, amounting to Baht 712 million. The dividend was paid to shareholders on 26 April 2016.

At the annual general meeting of the shareholders of the Company held on 26 March 2015, the shareholders approved the appropriation of dividend of Baht 0.65 per share, amounting to Baht 712 million. The dividend was paid to shareholders on 23 April 2015.

13. Commitments with non-related parties

13.1 Agreement for operation of domestic communication satellite

The Company was permitted by the Ministry of Transport and Communications, under an agreement dated 11 September 1991 and an amendment thereto dated 22 March 1992, to operate and administer certain satellite projects and to render transponder services for domestic and international communications as well as the right to collect, for a thirty-year period, service charges from users of the transponders. The agreements for operation have been transferred to the Ministry of Information and Communication Technology ("MICT").

Under the aforementioned agreement, the Company must pay an annual fee to MICT based on a percentage of certain service incomes or at the minimum level specified in the agreement, whichever is higher. As at 30 September 2016, the remaining minimum fee is Baht 424 million (31 December 2015: Baht 479 million). In addition, the Company, according to the aforementioned agreement, must transfer its ownership of all satellites, and monitoring stations and other operating equipment to MICT on the date of completion of construction and installation.

13.2 Shareholder agreement

Lao Telecommunications Company Limited ("LTC") is a joint venture, which was established under the terms of a Joint Venture Contract dated 8 October 1996, signed by the Government of the Lao People's Democratic Republic ("LAOGOV") and Intouch Holdings Public Company Limited (formerly named Shinawatra Computer and Communications Public Company Limited), According to the aforementioned Joint Venture Contract, LTC has the right to provide telecommunication services - fixed line phone, mobile phone, international facilities, internet and paging - within the Lao PDR for 25 years. Currently, Shenington Investments Pte Company Limited ("SHEN"), which is a joint venture of the Company, owns 49% of LTC's registered shares. After the end of the 20th year, in 2016, LAOGOV shall have the right to consider purchasing all LTC's shares at a market price. And after the end of 23rd year, in 2019, the Group has a right to submit a proposal to LAOGOV to consider the extension of the term of agreement. Otherwise at the end of the 25th year, in 2021, the Group has to transfer all of LTC's shares to LAOGOV without any charges (Note 6). According to the shareholder agreement, LTC is required to invest at least USD 400 million in the projects specified in the agreement within 25 years.

On 23 October 2015, SHEN and LAOGOV have officially reached the agreement to extend the Joint Venture Agreement and the Master Agreement for the Development of Telecommunications Services in the Lao PDR, as a result LTC obtain right to operate communication service in Lao PDR for a further period of 25 years until 2046. According to the amended agreements, LTC is required to invest at least USD 400 million in the projects specified in the agreements within 25 years.

13.3 Agreements for operation of a company and subsidiary companies for the satellite uplink-downlink and Satellite Internet services and Internet services in Thailand

Currently, the National Broadcasting and Telecommunications Commission ("NBTC") (previously termed "the National Telecommunications Commission ("NTC")) is responsible for granting licenses to provide telecommunication services and internet access services in Thailand. The Company and its subsidiaries operate the business to provide internet, broadcasting and telecommunication services under licenses granted by NBTC as follow:

Type of license	Issued Date	Period
License of the Company		
Telecom Operation License Type I	16 August 2016	5 years
Telecom Operation License Type III	26 September 2012	20 years
Internet Operation License Type I	7 May 2015	5 years
License of DTV Service Company Limited		
Broadcasting Operation License	21 January 2013	15 years
Broadcasting Operation License (Lao Star)	28 January 2016	5 years
Broadcasting Operation License (D-Channel)	28 January 2016	5 years
Broadcasting Operation License (Bayon TV)	9 March 2016	2 years
Broadcasting Operation License (Lao PSTV)	13 July 2016	2 years
Broadcasting Operation License (LNTV 3)	13 July 2016	2 years
Broadcasting Operation License (TVK)	13 July 2016	2 years
Broadcasting Operation License (TV Lao)	24 November 2015	2 years
License of TC Broadcasting Company Limited		
Broadcasting Operation License	4 March 2013	15 years
Telecom Operation License Type III	10 November 2015	15 years
Licenses of CS Loxinfo Public Company Limited		
Internet Operation License Type I	8 September 2014	5 years
Telecom Operation License Type I	11 October 2014	5 years
Internet Operation License Type II	26 April 2012	5 years
Telecom Operation License Type III	20 December 2007	15 years

13.4 Operating lease commitments

Group has future aggregate minimum lease payments under non-cancellable operating leases as follows:

		Consolidated financial statements		Separate financial statements	
	Currency	30 September 2016	31 December 2015	30 September 2016	31 December 2015
		thousands	thousands	thousands	thousands
Within one year	THB	72,118	71,472	24,808	14,917
	YEN	1,049	5,131	-	-
	USD	383	628	361	57
	INR	1,737	4,170	1,737	4,170
	MYR	8	56	8	56
	PHP	102	246	102	246
	CNY	186	745	186	745
	AUD	36	163	-	-
	NZD	-	230	-	-
Total equivalent Baht		88,882	112,941	39,471	24,242
After one year but within five years	THB	70,719	100,097	32,111	28,935
	USD	170	201	170	-
	INR	-	695	-	695
	AUD	-	4	-	-
Total equivalent Baht		76,651	108,233	38,044	29,336
After five years	THB	-	2,373	-	2,373
Total equivalent Baht		-	2,373	-	2,373
Grand total equivalent Baht		**165,533**	**223,547**	**77,515**	**55,951**

13.5 Other commitments

The Group has commitments with banks, whereby the banks issued letters of guarantee, letters of credit and other guarantees in respect of business contracts, for the following amounts:

		Consolidated financial statements		Separate financial statements	
	Currency	30 September 2016	31 December 2015	30 September 2016	31 December 2015
		thousands	thousands	thousands	thousands
Minimum operating agreement fee payable to Ministry of Information Communication and Technology	THB	72,781	48,667	72,781	48,667
Satellite space leasing by customers	USD	3,102	3,707	3,102	3,707
	THB	289,430	433,750	289,430	433,750
	AUD	5,000	5,000	-	-
	INR	2,240	-	-	-
Others	THB	37,565	46,283	13,938	12,696

14. Contingent liabilities

Assessment for income tax in India

The Tax Authority in India ('the Tax Authority'), has held that the payments received by the Company for providing Transponder Services ('TPS') to its Indian Customers and non-resident customers targeting Indian audience ('the Customer') was Royalty under both the Indian Income Tax Act ('the Act'), and the Double Taxation Avoidance Agreement between Thailand and India ('the DTAA') and subject to withholding tax at the rate of 15% on gross basis. The Company considered income from Transponder Services to be business income, and as the Company does not have permanent establishment in India, such income is not taxable in India.

However, the Tax Authority still insisted on its consideration and raised the tax demand including surcharge, education and interest aggregating to INR 859.4 million (approximately Baht 445 million) against the said payment received by it from the customers and also levied penalty of INR 566.1 million (approximately Baht 293 million) for the Assessment Year ('AY') 1998-1999 to 2012-2013 (1 April 1997 to 30 March 2012).

So far, the Company had received Withholding Tax Certificates ('WTC') from its customers until Assessment Year ('AY') 2012-2013 net amounting to INR 593.8 million (approximately Baht 307 million), in which part of the amount is substituted and paid by the customer on behalf of the Company. The Company had also deposited INR 480.4 million (approximately Baht 249 million). The deposit is presented as non-current assets in the statements of financial position.

On 4 March 2011, Income Tax Appellate Tribunal (ITAT) gave its decision that the Company's income from transponder services in India was not a royalty and, as the Company has no permanent establishment in India, such income was not taxable in India.

As the consequence, the Company does not have to pay interest and penalty imposed by the Revenue Department of India, and ITAT also decided that the demand for penalty for the assessment year 1998-1999, 1999-2000, 2000-2001, 2001-2002 and 2002-2003 made by the Revenue Department of India against the Company be cancelled. The Revenue Department of India did not appeal against the ITAT's decision on penalty for the said assessment years to the High Court of Delhi and the ITAT's decision on penalty was final. On 30 December 2011, the Tax authority notified the partial return of deposit placed by the Company against the penalty for the Assessment Year ('AY') 1998-1999 to 2001-2002 and interest, aggregating to INR 162.4 million (approximately Baht 84 million.)

Further to ITAT decision as stated in the preceding paragraphs, the Company is in the process of requesting the refund of the remaining deposit and withholding tax from the Tax Authority. Upon the final decision of the Supreme Court and the receipt of refund, the Company will forward the Customer the amount they substituted on behalf of the Company.

On 28 September 2011, the Tax Authority has filed an appeal against the decision of High Court on 17 February 2011 which decided that the Company's income from transponder services in India was not a royalty, to the Supreme Court. At the moment, this issue is still under the consideration of the Supreme Court.

The Supreme Court of India issued a letter dated 9 November 2011, to inform the agent of the Company's tax consultant of the appeal. Currently, the matter is in process, awaiting the Supreme Court of India's consideration.

15. Other events

15.1 According to the judgement of the Supreme Court, Criminal Division for Persons Holding Political Positions rendered on 26 February 2010, concerns the Company and its affiliated companies in many aspects. The Company is of the opinion that the consequence of the judgement is limited to the holding that some property of the person holding political position was improperly acquired by an abuse of power while being in a political position. The judgement does not contain any order indicating that the Company or its affiliated companies shall take any actions as the Company is not involved to the case. The Company and its affiliated companies have been operating to the best of its ability in accordance with the law and the agreements and in good faith. The Company and its affiliated companies have every right available under the law and agreements to provide the facts to prove its innocence and good faith in any proceeding which may be initiated by the relevant government agencies in accordance with the law and justice.

15.2 On 19 April 2007, Mr. Supong Limthanakul brought legal actions against the National Telecommunications Commission ("NTC"), the office of the NTC and the Ministry of Information and Communication Technology ("MICT") in the Central Administrative Court ("CAC") on the ground that the three state agencies neglected to perform their duties in overseeing whether the Company has been carrying on its telecommunications business lawfully after the sale of Shin Corporation Public Company Limited's shares to the new shareholder.

CAC issued an order dated 8 April 2009, making the Company the fourth respondent in order to allow the Company to file the Reply to the petitioner's claim including evidence, documentary or otherwise to CAC and the Company filed the Reply and supporting evidence in July 2009. On 10 September 2011, CAC has dismissed the case.

On 8 July 2011, Mr. Supong Limthanakul has filed an appeal with the Supreme Administrative Court ("SAC"). The case is under consideration by SAC. On 23 September 2011, the Company has filed an argument against appeal with the Supreme Administrative Court ("SAC").

The Company is of the opinion that it will not be adversely affected in any way as the actions were brought against NTC, office of the NTC and MICT for neglecting to perform their duties and will not constitute a cause for terminating the operating agreement as the Company has fully complied with the terms and conditions of the operating agreement.

15.3 On 26 December 2015, Golden Town Film Company Limited ("Plaintiff") has filed the Intellectual Property Court a lawsuit against Thaicom Public Company Limited ("THAICOM" or "the Company"), Directors of the Company, and a customer of the Company ("Defendant"), and claimed that Defendant has broadcasted a movie through satellite TV channel leased from THAICOM infringing the movie copyrights owned by Plaintiff.

On 8 September 2016, The Intellectual Property Court issued an order that THAICOM and its directors were dismissed from the case on the ground that THAICOM and its directors did not mutually infringe the movie copyright of the Plaintiff. At present, the Plaintiff got a permission from the Court to file the appeal of the Court Order within 8 November 2016. After that, THAICOM is required to submit the statement of defense of the Plaintiff's appeal to the Intellectual Property Court for consideration and issuing of the Court Order.

16. Events after reporting period

16.1 Dividend payment of iPSTAR Company Limited ("IPST")

At the Board of Directors' meeting of IPST, on 3 October 2016, the directors approved the appropriation of dividends of USD 21 million.

16.2 International Satellite Company Limited has entered into a contract ("ISC")

On 20 October 2016, ISC, a wholly-owned subsidiary of the Company has entered into the satellite procurement contract with a satellite manufacturer in China for procurement of the satellite to a customer. The approximate value of the satellite is USD 208 million or equivalent Baht 7,280 million. Such customer agreed to lease out the entire capacity of the satellite and will pay full service fees to the Company's subsidiary in advance. The satellite would be expected the completion in the end of the year 2019.