THAICOM Public Company Limited

Corporate Presentation
March 2015

THAICOM PLC. Proprietary & Confidential

Agenda



- **Thaicom…Who We Are**
- **Financial Highlight**
- **Industry Outlook & Moving Forward**

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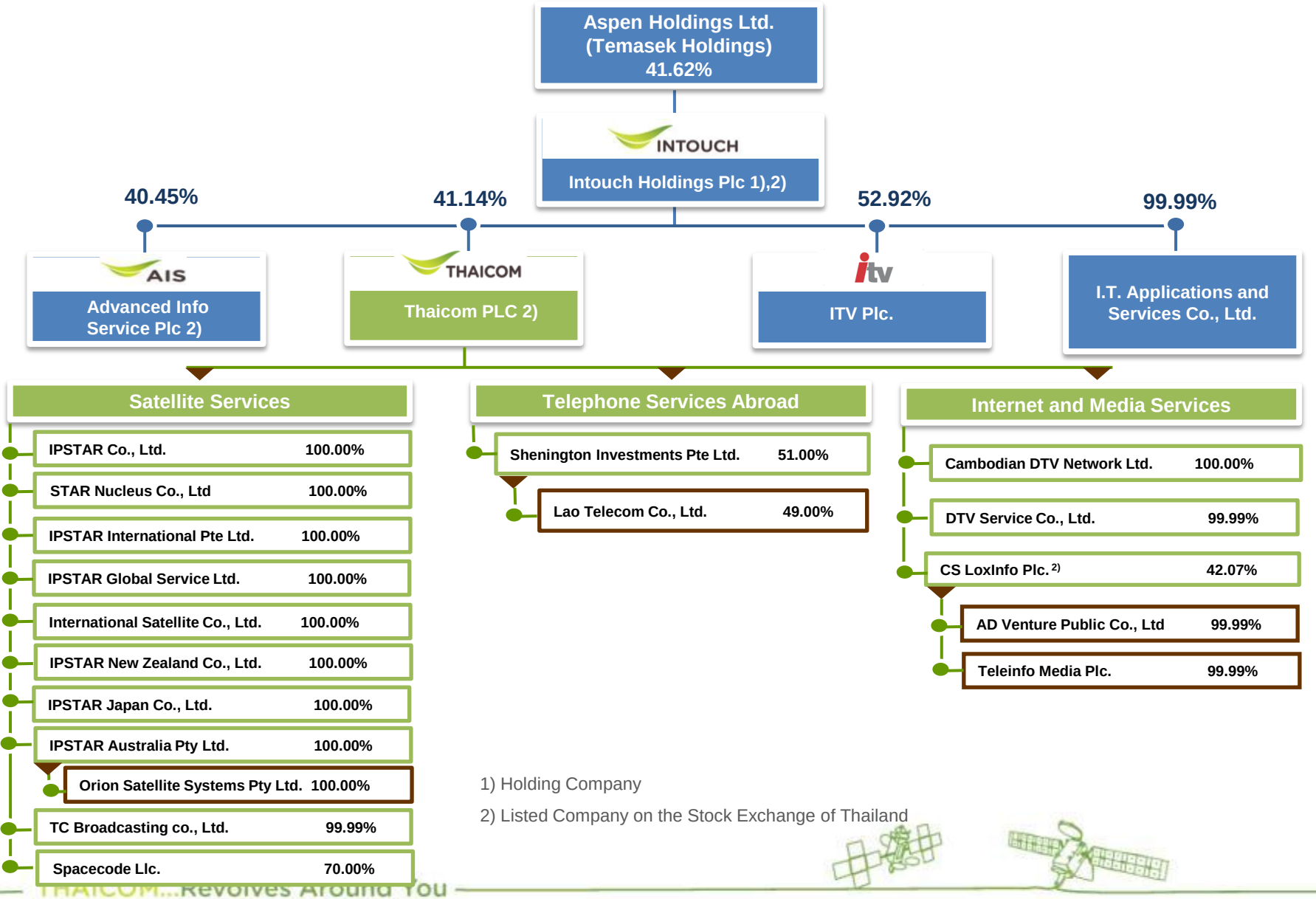
Who We Are

Our Company



- Thaicom Public Company Limited (formerly named Shin Satellite) was founded on 7th November 1991, part of Intouch Holdings Public Company Limited
- His Majesty King Bhumibol Adulyadej of Thailand graciously named the first national communications satellite, “THAICOM” which stands for “Thai Communications”.

Shareholding Structure



1) Holding Company

2) Listed Company on the Stock Exchange of Thailand

* As of July 2014

Our Business Operations

Satellite:



Conventional Satellite



Broadband Satellite

Telephone and Internet services:



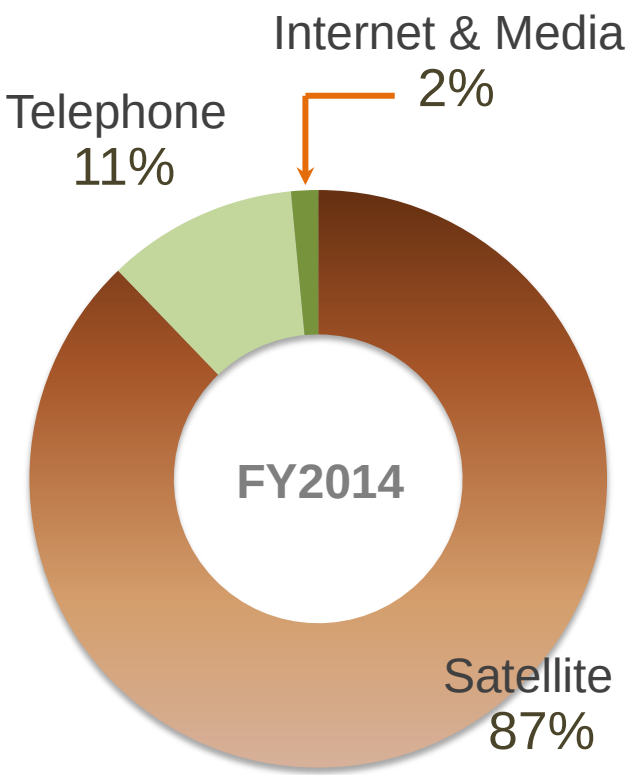
Regional Mobile Phone

Media and services:

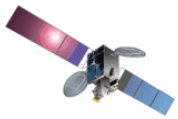


Platform Satellite TV

Revenue Contribution



Our Satellite Fleet

De-orbited	In-orbited				Upcoming
 THAICOM 1A Launched: 1993 De-orbited: 2010	 **THAICOM 4 (IPSTAR)**	 **THAICOM 5**	 **THAICOM 6**	 **THAICOM 7**	 ***THAICOM 8***
 THAICOM 2 Launched: 1994 De-orbited: 2010					
 THAICOM 3 Launched: 1997 De-orbited: 2006					

	Concession			License	
Launched	2005	2006	2014	2014	*Target 1H'16*
Type of Satellite	Broadband	Conventional		Conventional	
Fee	20.5% (Sep 2016 = 22.5% onwards)			5.25%	
Contract Life (Yr)	30 yr (2021)			20 yr (2032)	
Satellite Life (Yr)	15	14	15	18	*18*

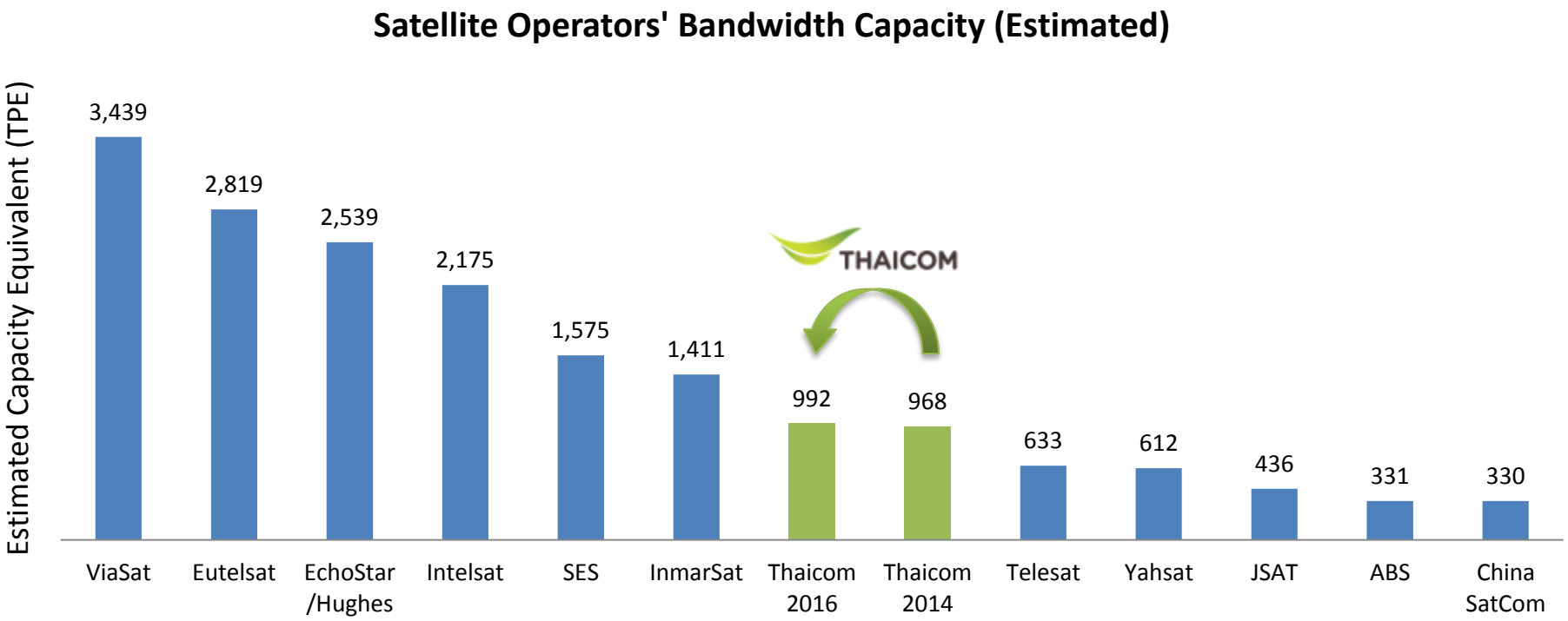
*Updated as of Feb 28,2015





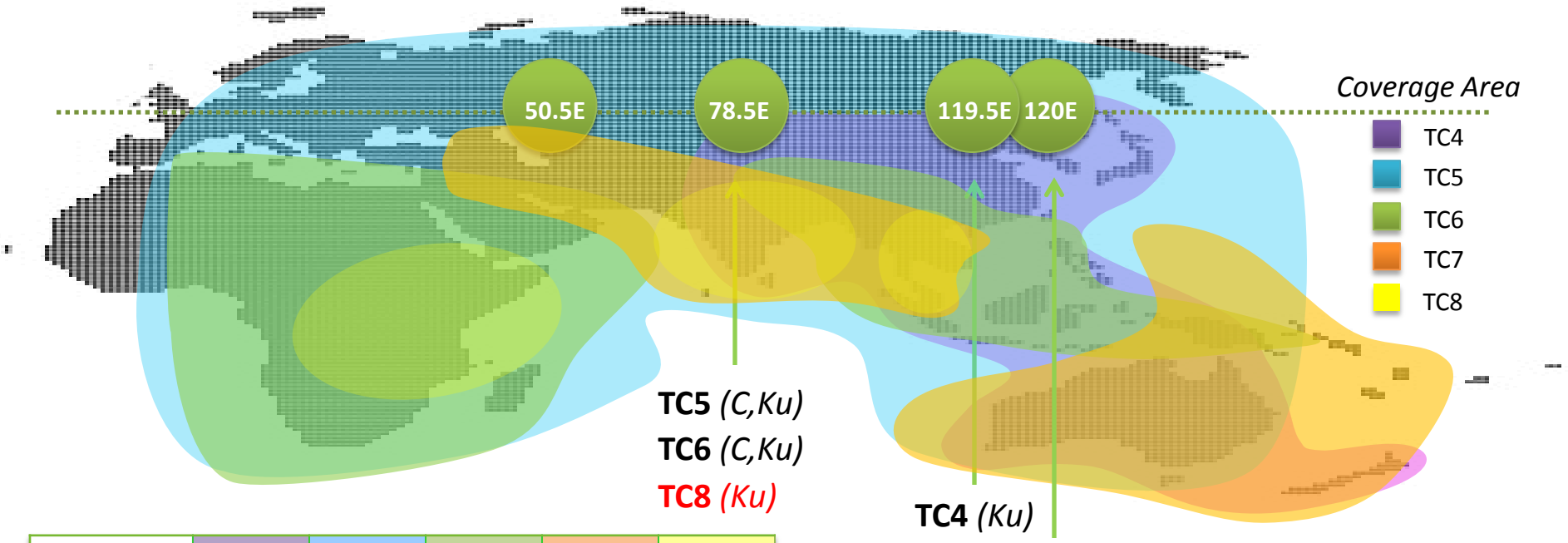
Our Capacity

Largest Satellite Operator in Asia Pacific (7th Globally)



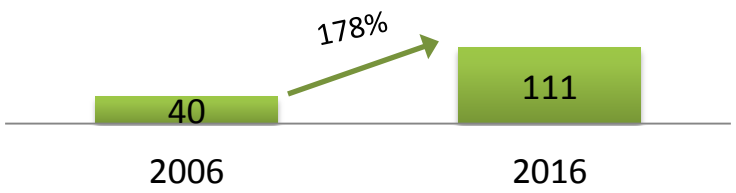
Note:
** Thaicom's capacity Y2014 includes THAICOM 4 , THAICOM 5, THAICOM 6 and THAICOM 7 satellites*
*** Thaicom's capacity Y2016 includes THAICOM 4 , THAICOM 5, THAICOM 6, THAICOM 7 and THAICOM 8 satellites*
**** Other satellite operators' capacities (estimated) are as of July 2014*
***** TPE = 36MHz transponder equivalent*

Our Satellite Footprints



THAICOM	TC4		TC5		TC6		TC7		TC8	
	119.5°E		78.5°E		78.5°E		120°E		78.5°E	
	C	Ku	C	Ku	C	Ku	C	Ku	C	Ku
Indochina	-	✓	✓	✓	✓	✓	✓	-	-	✓
SEA	-	✓	✓	-	✓	-	-	-	-	-
South Asia	-	✓	✓	-	-	-	✓	-	-	✓
North Asia	-	✓	✓	-	-	-	-	-	-	-
Australasia	-	✓	✓	-	-	-	✓	-	-	-
ME, Africa	-	-	✓	-	✓	-	-	-	-	✓
Total TPE	881		40		33		14		24	

Conventional Satellite Capacity (TPE)



Note:

1. *TPE = 36 MHz transponder equivalents*
2. *Current capacity (2015) of conventional satellites is 87 TPE.*
3. *TC8 capacity of 24 TPE is included in 2016.*

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Our Broadcast Services

Asia's "Hot Bird" for Satellite TV

Covering More than

120

COUNTRIES



Hosting*

702 (110 HD)

SATELLITE TV CHANNELS

No.1 in Thailand and Indochina

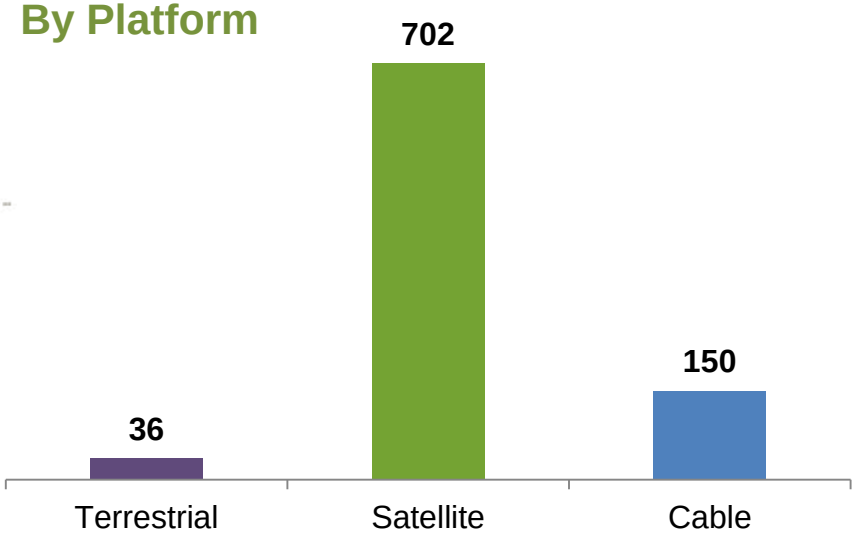
A key player in South Asia

16 Million viewers or

70% of total TV HOUSEHOLDS



By Platform



Source : Thaicom PLC, Value Partners, Casbaa

* As of Jan 2015

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Our Broadband Services



PRESENCE in

13 COUNTRIES

17 GATEWAYS

5,000 small-cell 3G sites in Japan

90,000 broadband users in Australia and New Zealand

26,000 schools & **5,500** rural telephony project sites in Thailand

6,000 communities/villages/schools in Malaysia

The first and only High Throughput Satellite (HTS) in Asia Pacific



Awards & Distinctions

"Satellite Executive of the Year 2014"
in the Asia-Pacific by the Asia-Pacific Satellite Communications Council (APSCC)



"Best CEO Award"
for Listed Companies 2014
by Investment Analysts Association (IAA)



Excellent CG Scoring 2014



Top 50 ASEAN CG Scorecard



Rank #10 in Global Top Fixed Satellite Service Operators

SPACENEWS The List | 2013 Top Fixed Satellite Service Operators

Rank	Company	Location	2013 Revenue	2012 Revenue	Satellites in Orbit	Satellites on Order
1	Intelsat	Luxembourg	$2.64 billion	$2.61 billion	55	7
2	SES	Luxembourg	$2.56 billion	$2.41 billion	55	3
3	Eutelsat	France	$1.79 billion	$1.66 billion	37	6
4	Telesat	Canada	$838.6 million	$846.0 million	10	1
5	Sky Perfect Jsat	Japan	$594.9 million	$659.4 million	16	3
6	Arabsat	Saudi Arabia	$341 million	$300.5 million	6	1
7	Star One	Brazil	$330 million	$315 million	7	2
8	SingTel Optus	Australia	$281 million	$341 million	4	1
9	Hispasat	Spain	$277.3 million	$264.4 million	7	2
10	THAICOM	Thailand	$245.8 million	$239.7 million	3	2
11	China Satcom	China	$230 million	$205 million	11	2
12	AsiaSat	Hong Kong	$193.4 million	$243.2 million	4	3
13	Nilesat	Egypt	$180.9 million	$165.8 million	2	0
14	Russian Satellite Communications Co.	Russia	$176.8 million	$209 million	11	4
15	Indian Space Research Organisation	India	$170 million	$160 million	8	5

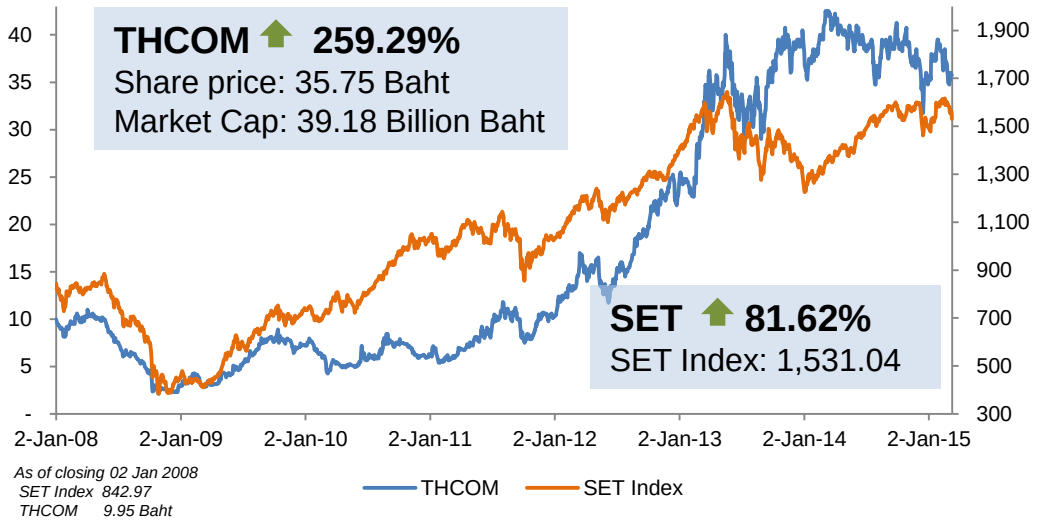
Rank #3 in terms of Revenue per Satellite



Financial Highlights

Overall Performance

THCOM share performance relative to Thailand SET % Growth 2008 –2015



THCOM Share Performance:

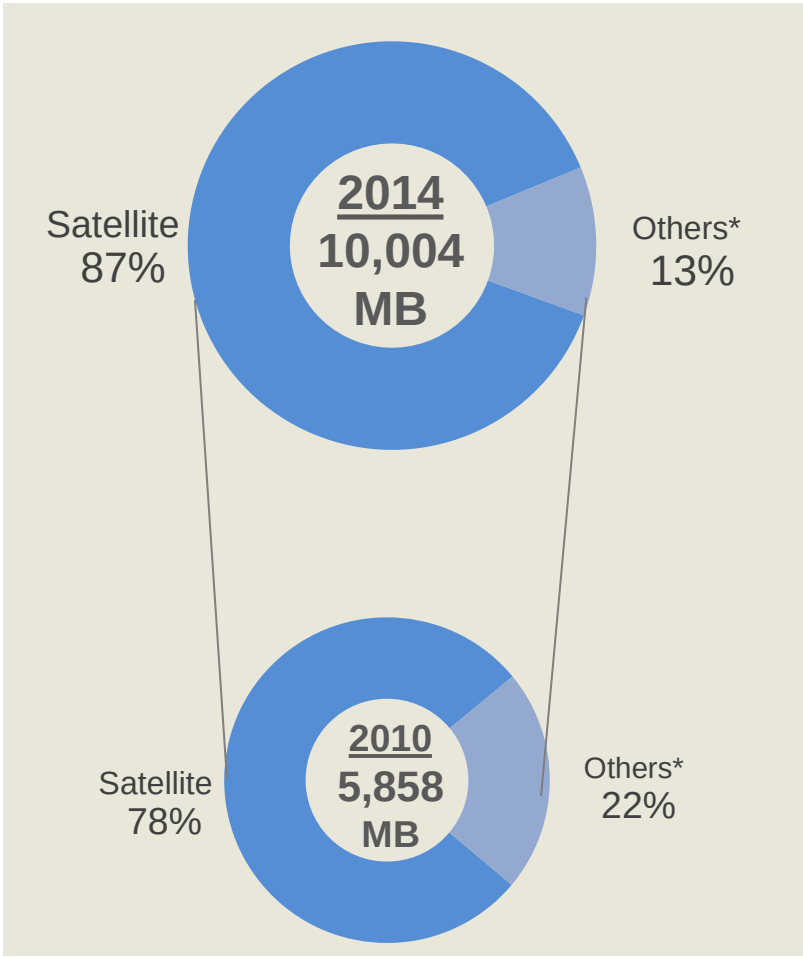
Overview

Share price*:	35.75 Baht
Paid-up Shares:	1.096 billion shares
Market Cap:	39.18 billion Baht
BV/share	15.41 Baht
PBV	2.32 Baht

* Share price as of 10 Mar 2015

% Revenue break up 2010 vs. 2014:

Core satellite business contribution to revenue is increasing



* *Excluding revenues from discontinued operation (Mfone)*

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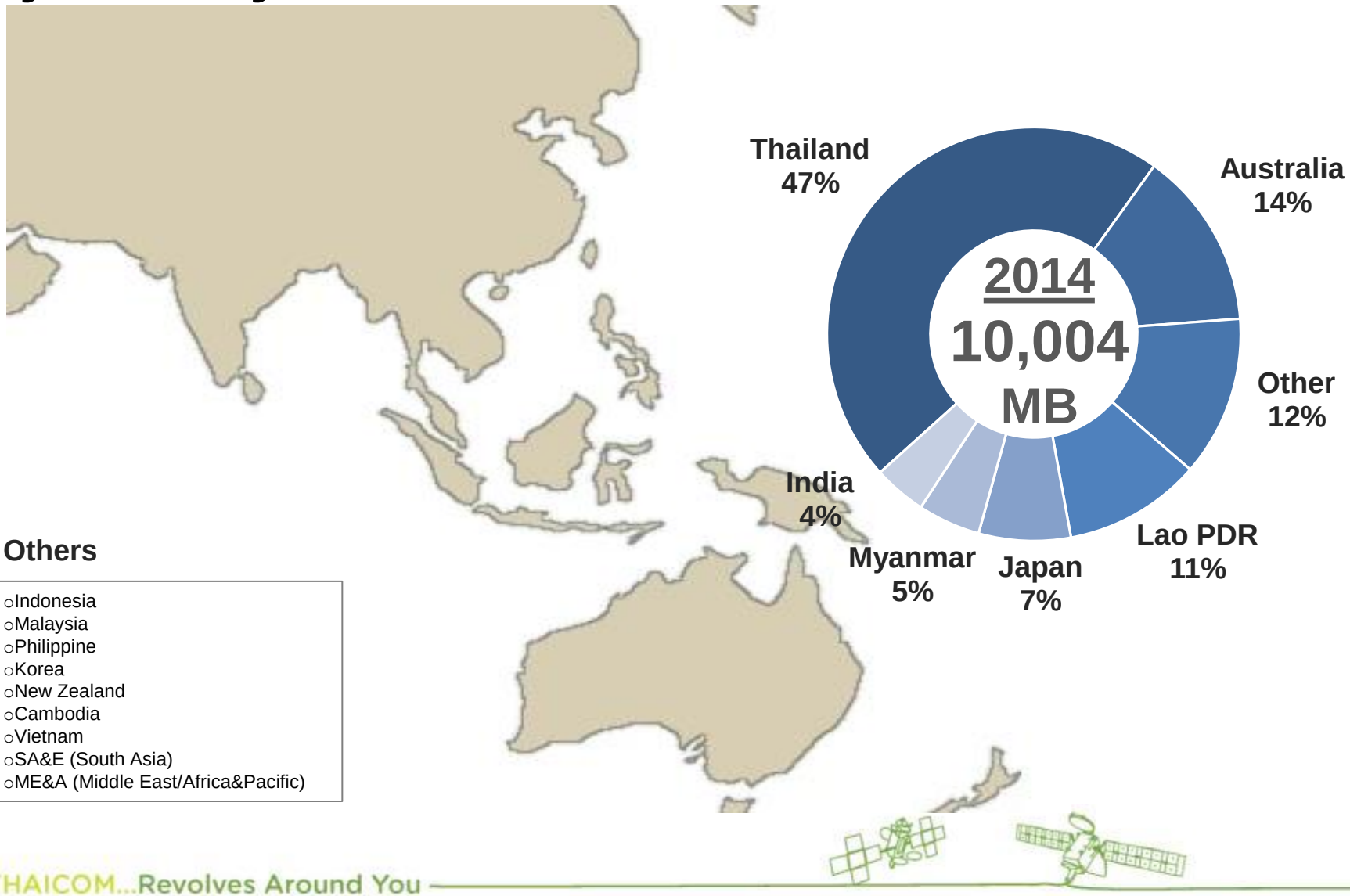
Consolidated revenues contribution by country



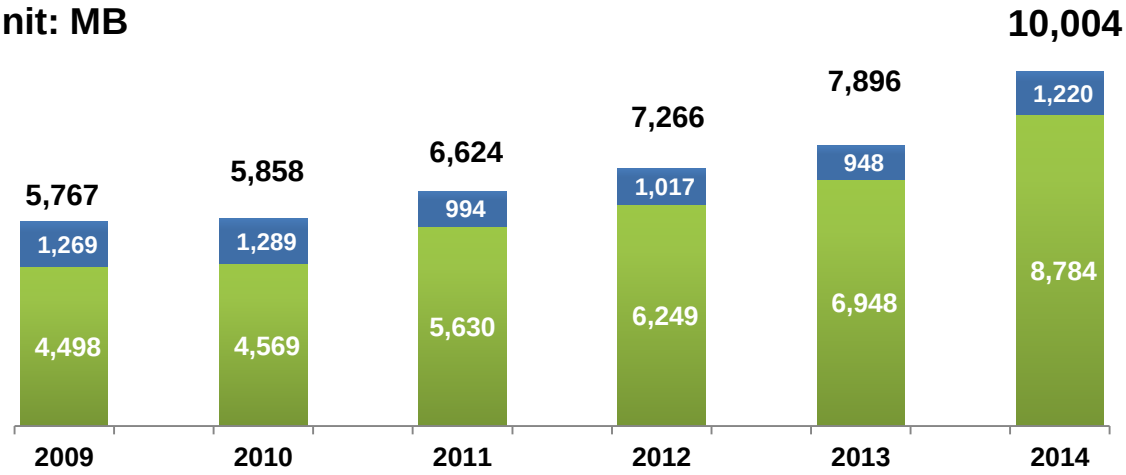
Others

- Indonesia
- Malaysia
- Philippine
- Korea
- New Zealand
- Cambodia
- Vietnam
- SA&E (South Asia)
- ME&A (Middle East/Africa&Pacific)

Bottom Line Grew Significantly from Satellite Performance

Consolidated Sale & Services Revenues

Unit: MB

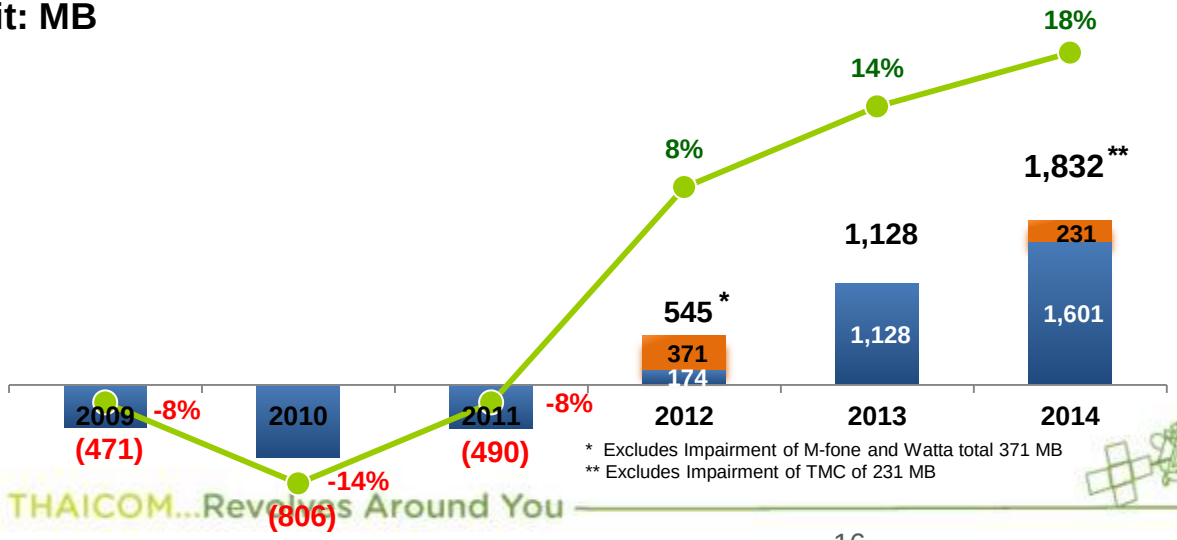


Revenue grew continuously with strong cash flow.

(CAGR 2009-2014 = 10%)

Normalized Net profit and Normalized Net profit margin

Unit: MB



Continuously improved in Normalized Net Profit and Normalized Net Profit margin.

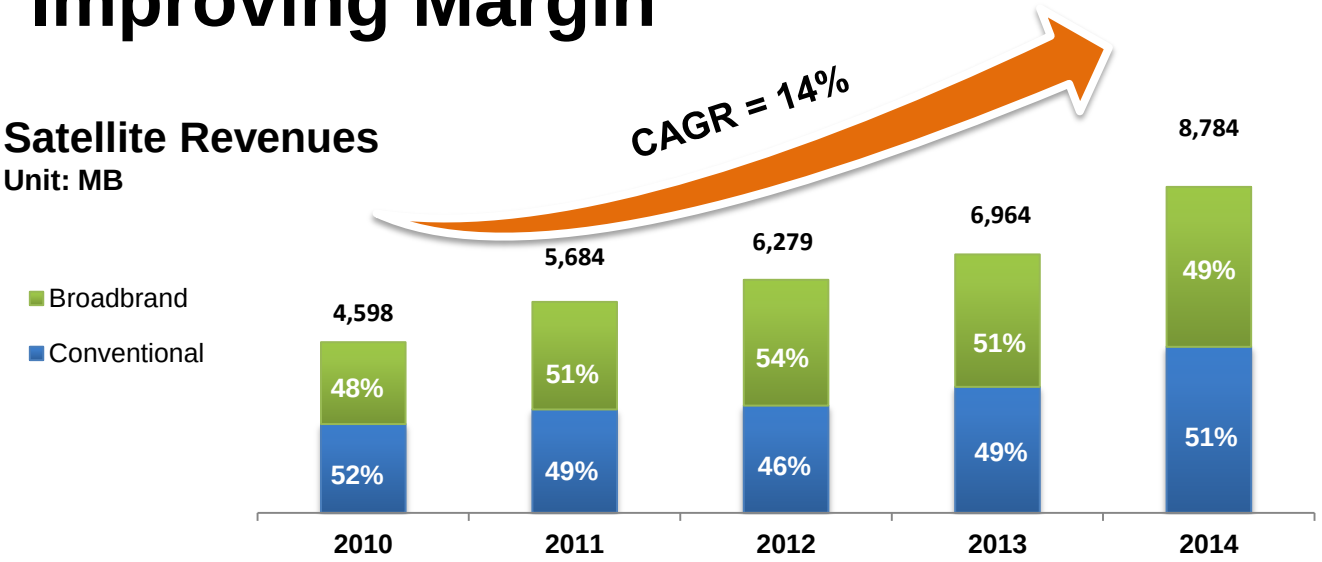
(CAGR 2012-2014 = 50%)

* Excludes Impairment of M-fone and Watta total 371 MB
** Excludes Impairment of TMC of 231 MB

Strong Satellite Performances with Improving Margin

Satellite Revenues

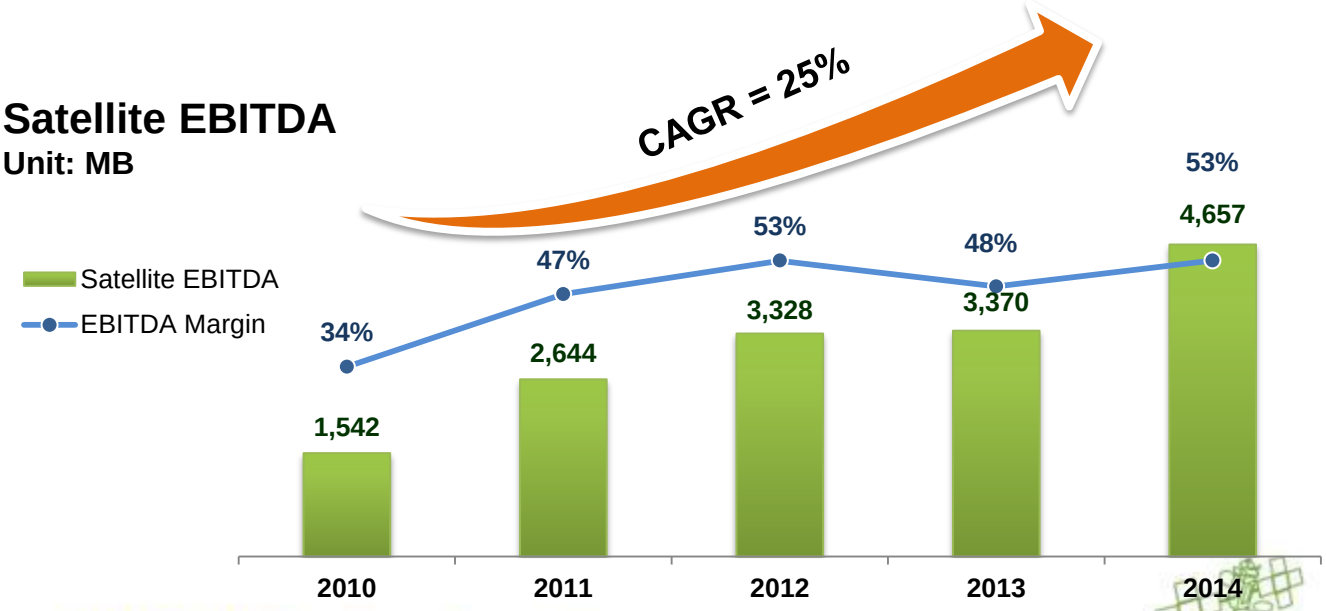
Unit: MB



Y2014, Revenue continuously grew with CAGR of 14%

Satellite EBITDA

Unit: MB



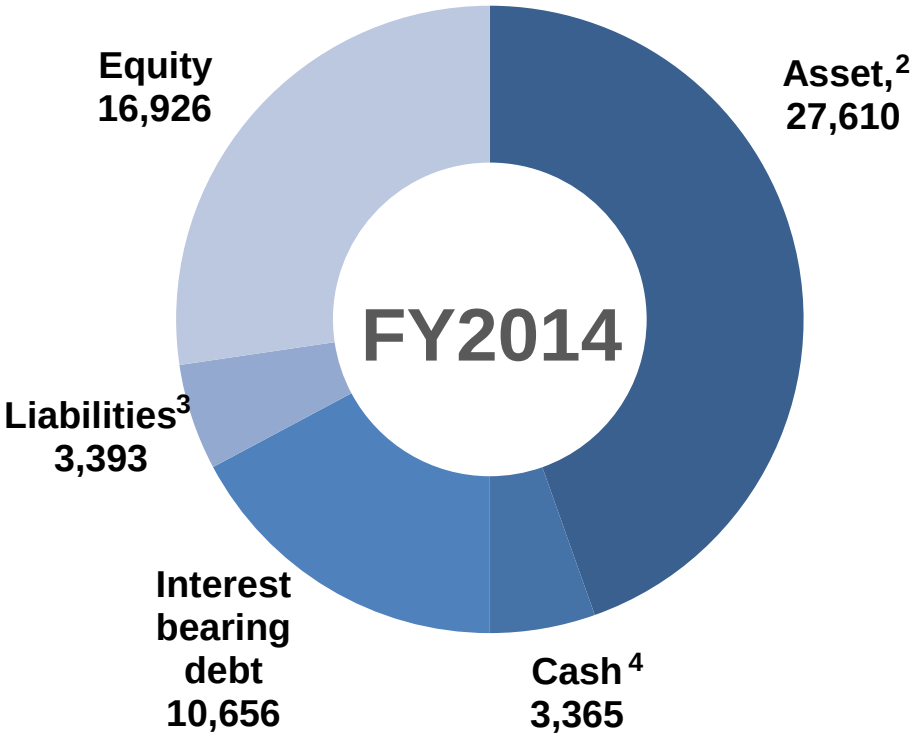
Y2013, EBITDA Margin dropped to 48% due to cost of interim satellite

Y2011, EBITDA improved since revenue growth significantly from broadband market expansion in Australia and Malaysia, together with effective cost management.

Financial position remains strong

D/E Ratio at 0.63x [1]

Unit: MB



1. Interest-bearing Debt / Equity
2. Exclude Cash and Current Investment
3. Exclude Interest-Bearing Debt
4. Cash and Current Investment

Strong cash from operation

Unit: MB

Consolidated CF	2013*	2014
CF from Operating	3,952	4,840
CF from Investing	(4,089)	(5,872)
CF from Financing	225	1,440
Cash Beginning	2,057	2,152
Short-term Deposit (BE)	1,305	800
Cash Ending	**4,687**	**3,365**

* Restated

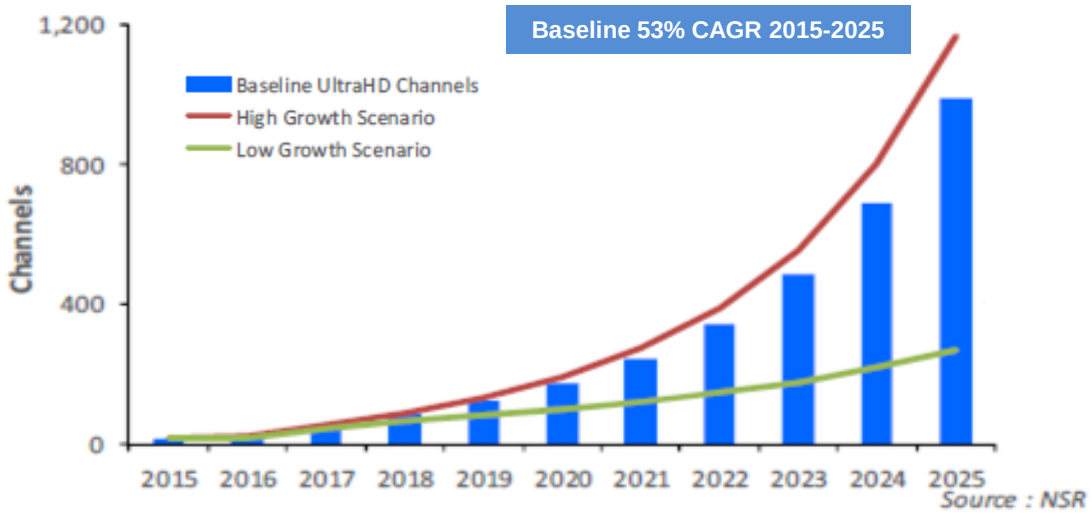


Industry Outlook & Moving Forward

Broadcast

Ultra HD TV demand seen surging

Global Ultra HD via Satellite Channels by Scenario

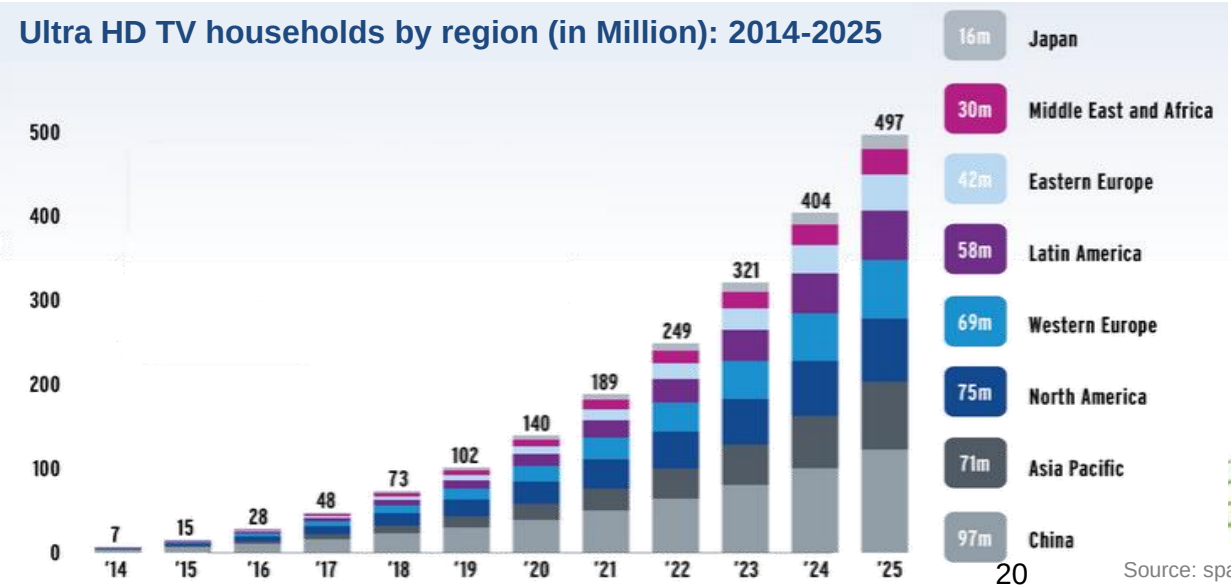


Ultra HD TV Average Selling Prices



Source: NPD DisplaySearch

Ultra HD TV households by region (in Million): 2014-2025



- ✓ More channels
- ✓ Lower TV set prices
- ✓ More households
- ✓ More bandwidth demand

Source: spacenews.com

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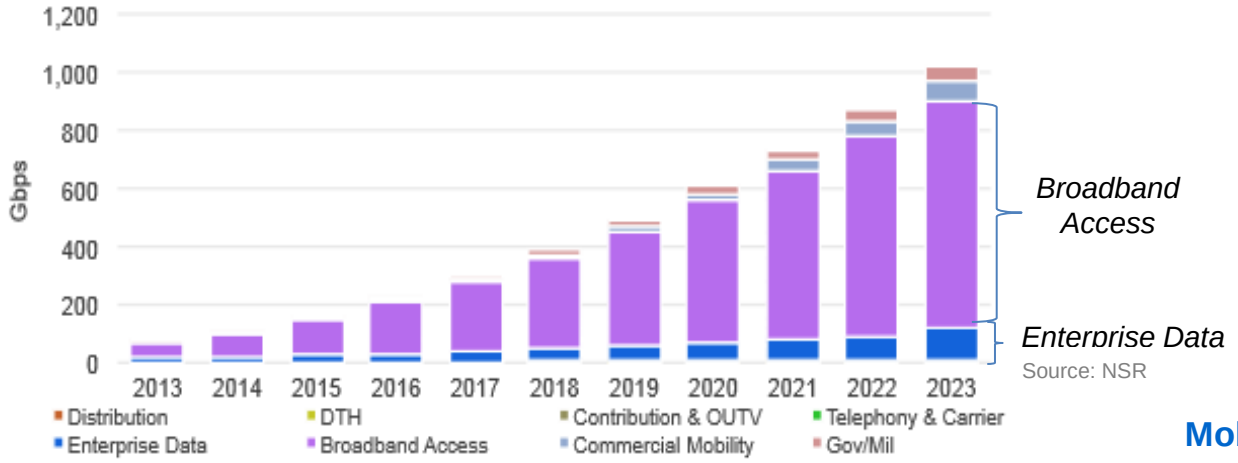
Broadband

Exponential growth in Broadband Services

Global HTS Bandwidth Demand by Application

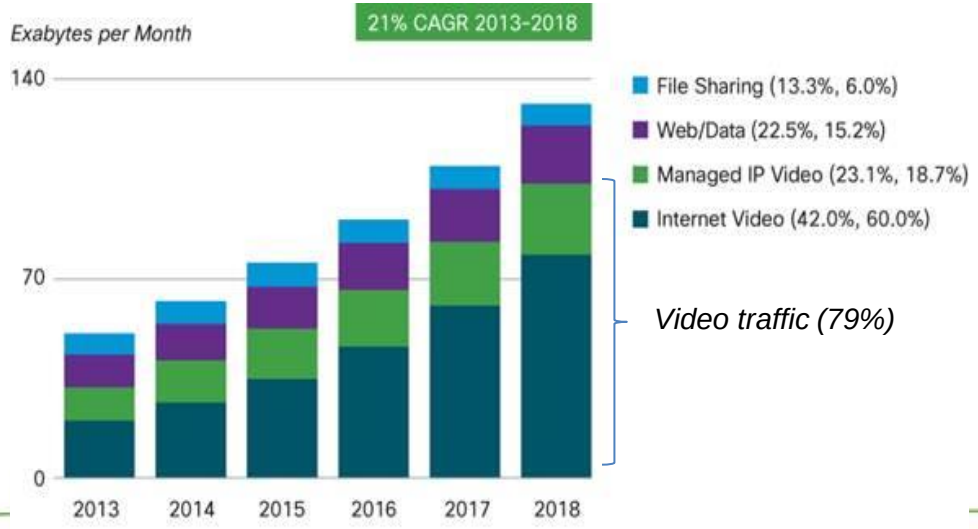


Source: NSR

- ✓ More data consumption
- ✓ More demand for mobility services
- ✓ More subscribers
- ✓ More HTS bandwidth demand

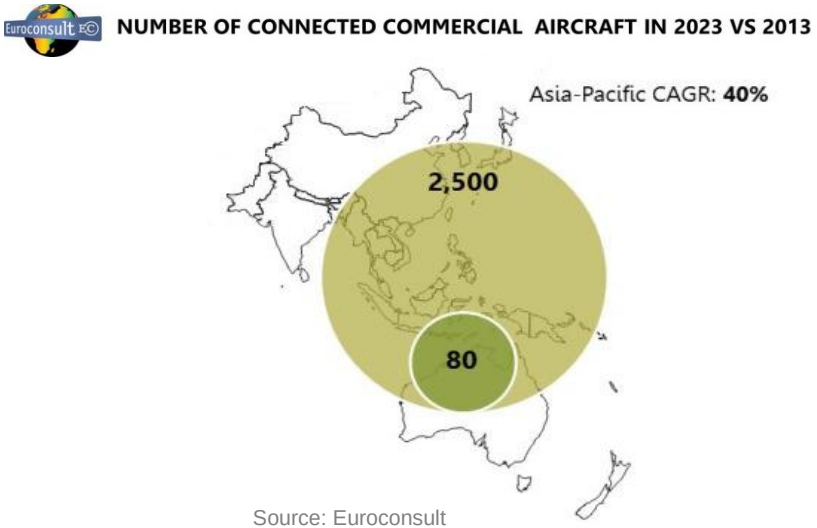
Note: HTS = High Throughput Satellite

Global IP Traffic by Application



Source: Cisco VNI, 2014
The percentages within parentheses next to the legend denote the relative traffic shares in 2013 and 2018, respectively.

Mobility: In-Flight Entertainment and Connectivity (IFEC)



Source: Euroconsult

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Broadcast & Broadband Convergence

A Multiscreen World: Any devices, Anytime and Anywhere



09:00



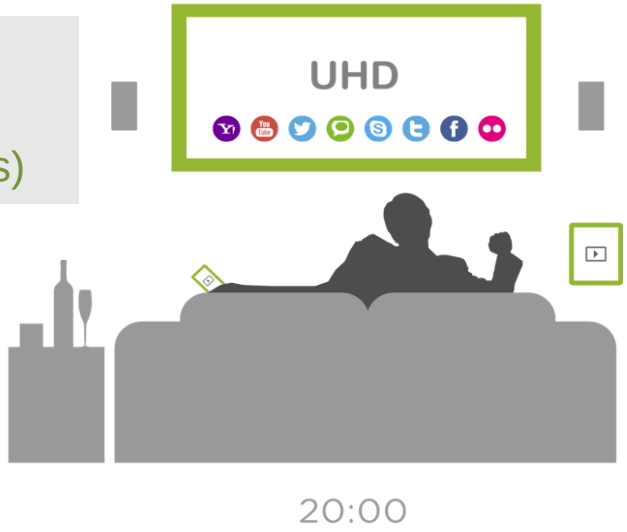
14:00



07:00

Asia Pacific surged ahead of the global average in terms of total screen time (**439** vs. 417 minutes)





20:00

Source: MillwardBrown, AdReaction 2014

2015…Connecting the Future



Connecting

People

Uniting strengths to create value and a future progress for all

Technology

Moving beyond the boundaries of existing technology to create the technologies of the future

Opportunity

Pursuing new opportunities for future growth

Broadcast Platform



- *Provide a neutral platform as an incubator for satellite TV operators*
- *Promote a transition of satellite TV standard from SD to HD/UHD*
- *Expand to other markets in AEC*

Broadband Platform



- *Strengthen Open Access Platform (OAP) strategy*
- *Enhance next generation of broadband platform to support future requirements*

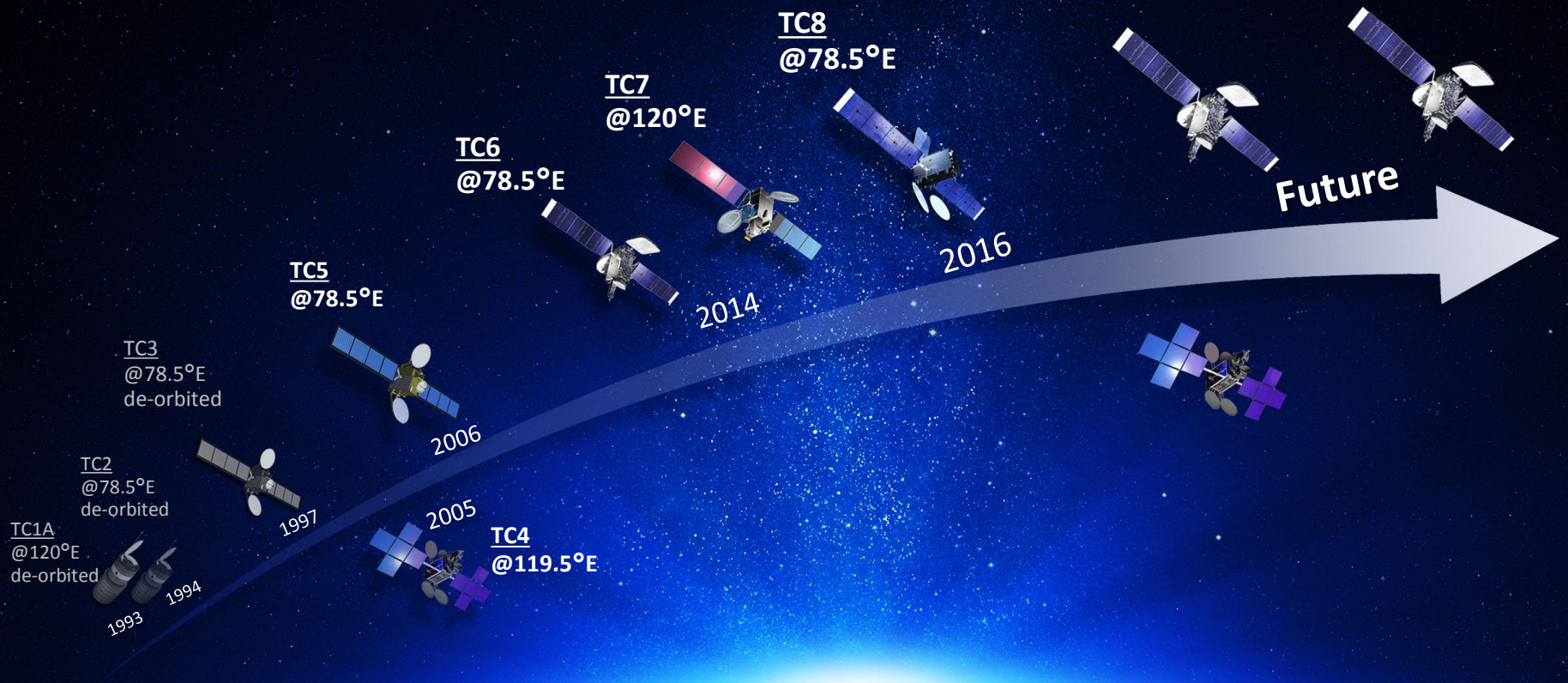
In-Flight Entertainment & Connectivity (IFEC) Platform



- *Strengthen Thai IFEC platform*
- *Extend footprints to other markets*

Fleet Expansion

Develop the new chapter of THAICOM fleet



Appendix

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Our Services: Broadcast



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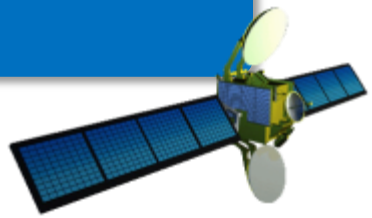
Conventional Satellite:

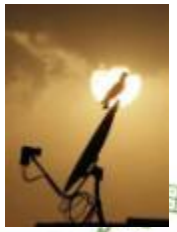
THAICOM 5 and THAICOM 6 @78.5E

THAICOM

Asia's "Hot Bird" for Satellite TV Platform



- Cover 120 countries in Asia, Australia, Africa & Europe
- 702 TV channels (110 HD channels)
- 16 million households in Thailand
- No.1 in Thailand and Indochina countries
- One of the key players in South Asia





and more…

Conventional Satellite

Key Market Segments





Broadcasting

"National TV Broadcast"

"Direct-to-Home"

"Video Distribution"

"Distance Learning"

"HDTV"

78.5°E – the prime orbital slot for Satellite TV platform

Telecommunication

"Cellular Backhaul"

"VSAT"

"Government Communications"

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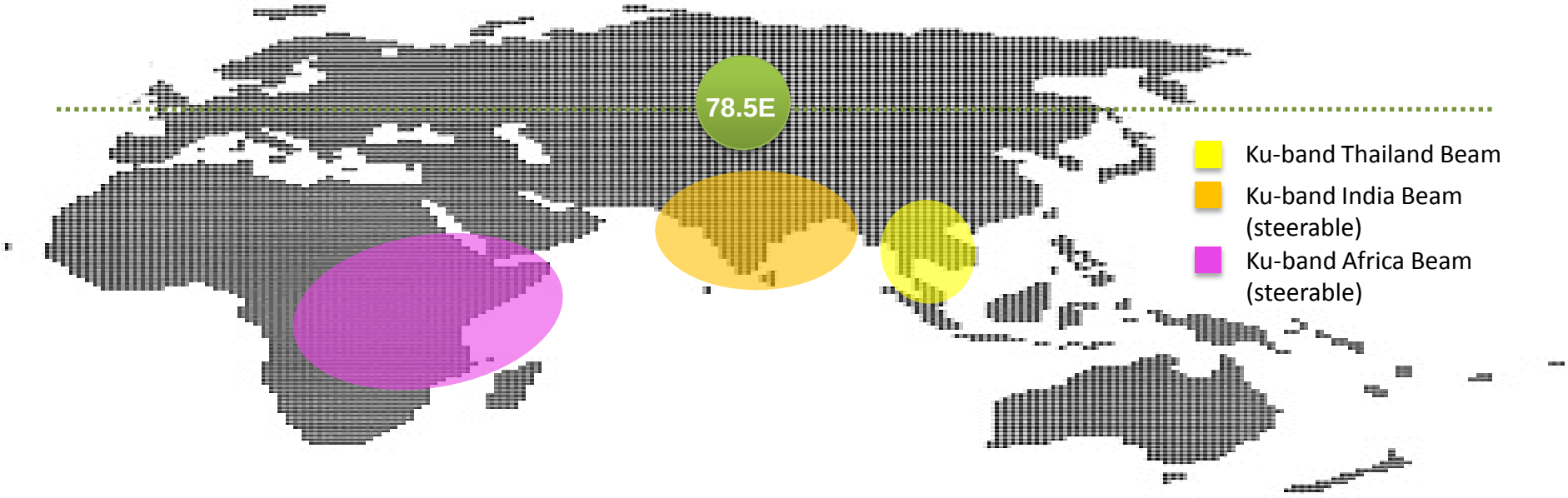
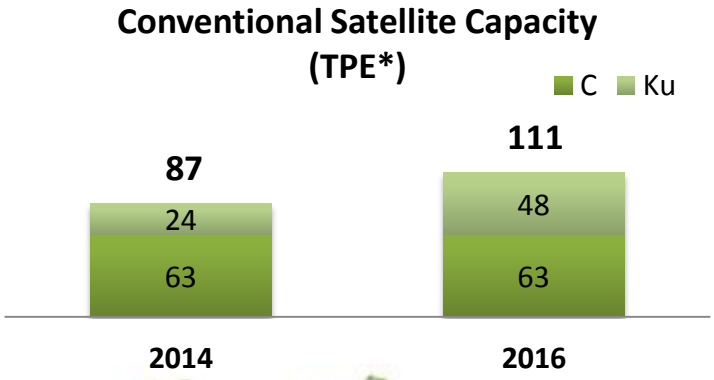
THAICOM 8…Meeting future needs

To double Ku-band capacity in 2016



Manufacturer	: Orbital Sciences Corp.
Launcher	: Space Exploration Technologies Corp.
Orbital Slot	: 78.5°E
Capacity	: 24 Ku-band transponders
Lifetime	: 18 years
Target Launch	: mid 2016 (estimated)



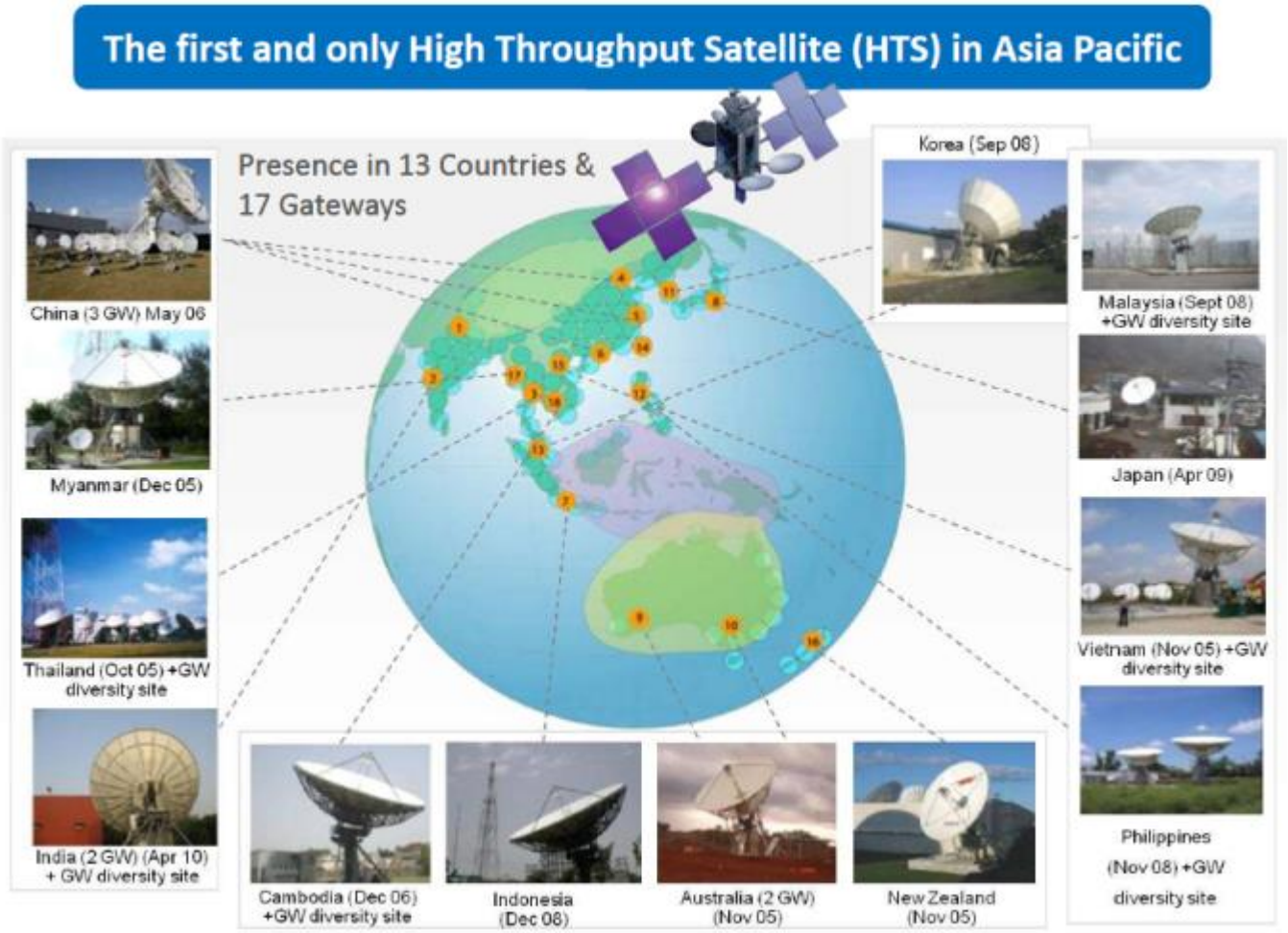
Note: TPE = 36 MHz transponder equivalents

Our Services: Broadband



Broadband Satellite

THAICOM 4 (IPSTAR) @119.5E



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IPSTAR Key Market Segment







Telco Backhaul & Enterprise

"Cellular Backhaul"

"Rural Telephony"

"Corporate Networks"

Government/ USO* Program

"e-Government"

"Distance Learning"

"National Broadband Network"

(*Universal Service Obligation)

Mobility

"Emergency Communications"

"Satcom-on-the-move"

"In-flight Entertainment & Connectivity"