Thaicom Public Company Limited and its Subsidiaries

Interim financial statements
for the three-month period ended
31 March 2013
and
Independent auditor's report
on review of interim financial information

Independent auditor's report on review of interim financial information

To the Board of Directors of Thaicom Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Thaicom Public Company Limited and its subsidiaries, and of Thaicom Public Company Limited, respectively, as at 31 March 2013; the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2013; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the 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 me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Emphasis of matter

I draw attention to note 5 to the financial statements which describes the discontinued operation of a subsidiary of a jointly-controlled entity.

(Supot Singhasaneh)
Certified Public Accountant
Registration No. 2826

KPMG Phoomchai Audit Ltd.
Bangkok
10 May 2013

Thaicom Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 March 2013 and 31 December 2012

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 March 2013 (Unaudited)	31 December 2012	31 March 2013 (Unaudited)	31 December 2012
		(in thousand Baht)			
Current assets					
Cash and cash equivalents		3,005,571	2,267,621	1,081,688	870,591
Trade and other accounts receivable	*4*	1,188,348	1,177,620	1,189,896	871,469
Amounts due from related parties	*3*	85,379	4,911	170,553	126,714
Short-term loan to a jointly-controlled entity	*3*	126,820	132,543	258,816	270,496
Inventories		285,889	327,798	154,759	183,982
Prepaid insurance		20,549	37,065	17,908	33,420
Other current assets		172,866	92,401	53,710	38,921
Non-current assets held for abandonment	*5*	-	1,769,144	-	-
Total current assets		**4,885,422**	**5,809,103**	**2,927,330**	**2,395,593**
Non-current assets					
Long-term loans to subsidiary	*3*	-	-	17,461	18,249
Investments in subsidiaries	*6*	-	-	1,665,633	1,665,633
Investments in jointly - controlled entity	*6*	-	-	137,639	137,639
Investments in assosiate	*6*	442,064	455,549	-	-
Property and equipment	*7*	5,663,157	5,646,546	4,057,468	3,969,936
Property and equipment under operating agreement	*7*	11,148,722	11,481,853	11,148,722	11,481,853
Deferred charges	*7*	79,929	89,689	79,295	88,937
Intangible assets	*7*	899,668	919,602	768,556	783,132
Deferred tax assets		616,538	677,043	477,271	537,755
Other non-current assets		669,312	731,323	668,082	730,240
Total non-current assets		**19,519,390**	**20,001,605**	**19,020,127**	**19,413,374**
Total assets		**24,404,812**	**25,810,708**	**21,947,457**	**21,808,967**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 March 2013 and 31 December 2012

		Consolidated financial statements		Separate financial statements	
Liabilities and equity	*Note*	31 March 2013 (Unaudited)	31 December 2012	31 March 2013 (Unaudited)	31 December 2012
		(in thousand Baht)			
Current liabilities					
Short-term loans from financial institutions	*9*	30,000	-	-	-
Trade and other accounts payable		587,558	804,050	340,991	481,938
Accounts payable - property and equipment		49,846	48,014	35,254	30,220
Amounts due to related parties	*3*	2,142	2,719	94,433	99,911
Short-term loan from other related party	*3*	127,425	133,177	-	-
Current portion of long-term loans	*9*	151,069	115,391	6,601	6,315
Advance receipts from customers		691,196	526,259	333,793	369,893
Accrued operating agreement fee		383,011	214,975	383,011	214,975
Income tax payable		154,302	158,891	-	-
Other current liabilities		511,290	80,141	489,017	54,777
Liabilities of non-current assets classified as held for abandonment	*5*	-	1,769,143	-	-
Total current liabilities		**2,687,839**	**3,852,760**	**1,683,100**	**1,258,029**
Non-current liabilities					
Long-term loans	*9*	6,940,647	7,045,724	6,851,683	6,905,845
Employee benefits obligations	*8*	296,158	287,320	161,985	155,443
Other non-current liabilities		390,322	386,388	382,128	375,581
Total non-current liabilities		**7,627,127**	**7,719,432**	**7,395,796**	**7,436,869**
Total liabilities		**10,314,966**	**11,572,192**	**9,078,896**	**8,694,898**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 March 2013 and 31 December 2012

		Consolidated financial statements		Separate financial statements	
Liabilities and equity	*Note*	31 March 2013 (Unaudited)	31 December 2012	31 March 2013 (Unaudited)	31 December 2012
		(in thousand Baht)			
Equity					
Share capital	*10*				
Authorised share capital		5,660,412	5,660,412	5,660,412	5,660,412
Issued and paid-up share capital		5,479,688	5,479,688	5,479,688	5,479,688
Premium on ordinary shares		4,301,990	4,301,990	4,301,990	4,301,990
Retained earnings					
Appropriated					
Legal reserve		453,153	453,153	453,153	453,153
Unappropriated		3,655,908	3,763,907	2,633,730	2,879,238
Other components of equity		164,816	203,939	-	-
Equity attributable to owners of the Company		**14,055,555**	**14,202,677**	**12,868,561**	**13,114,069**
Non-controlling interests		34,291	35,839	-	-
Total equity		**14,089,846**	**14,238,516**	**12,868,561**	**13,114,069**
Total liabilities and equity		**24,404,812**	**25,810,708**	**21,947,457**	**21,808,967**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of income

For the three-month periods ended 31 March 2013 and 2012 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Continuing operations		*(in thousand Baht)*			
Income	*3*				
Revenues from sale of goods and rendering of services		1,773,830	1,781,918	1,266,896	1,205,655
Gain on foreign exchange rate		119,459	12,960	117,972	22,331
Other income		19,607	25,257	47,782	77,261
Total income		**1,912,896**	**1,820,135**	**1,432,650**	**1,305,247**
Expenses	*3*				
Cost of sale of goods and rendering of services		888,267	996,570	679,390	768,380
Operating agreements fee		184,316	182,922	184,286	182,922
Selling expenses		32,203	28,386	28,651	18,198
Administrative expenses		309,673	305,779	213,817	159,186
Directors and management benefit expenses		13,095	11,285	13,040	11,229
Finance costs		66,005	111,770	60,115	104,355
Total expenses		**1,493,559**	**1,636,712**	**1,179,299**	**1,244,270**
Share of profit of associate	*6*	61,545	44,980	-	-
Profit before income tax expense from continuing operations		**480,882**	**228,403**	**253,351**	**60,977**
Income tax expense		(99,364)	(67,430)	(60,484)	(22,449)
Profit from continuing operations		**381,518**	**160,973**	**192,867**	**38,528**
Discontinued operation					
Loss from discontinued operation, net of income tax	*5*	(51,142)	(118,607)	-	-
Profit for the period		**330,376**	**42,366**	**192,867**	**38,528**
Profit attributable to:					
Owner of the Company		330,376	42,366	192,867	38,528
Non-controlling interest		-	-	-	-
Profit for the period		**330,376**	**42,366**	**192,867**	**38,528**
Earnings per share	*12*				
Basic		0.30	0.04	0.18	0.04
Diluted		0.30	0.04	0.18	0.04
Earnings per share - continuing operations	*12*				
Basic		0.35	0.15	0.18	0.04
Diluted		0.35	0.15	0.18	0.04

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of comprehensive income

For the three-month periods ended 31 March 2013 and 2012 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
Profit for the period	**330,376**	**42,366**	**192,867**	**38,528**
Other comprehensive income				
Foreign currency translation differences	(40,671)	(24,162)	-	-
Other comprehensive income for the period, net of income tax	**(40,671)**	**(24,162)**	**-**	**-**
Total comprehensive income for the period	**289,705**	**18,204**	**192,867**	**38,528**
Total comprehensive income attributable to:				
Owners of the Company	291,253	19,196	192,867	38,528
Non-controlling interests	(1,548)	(992)	-	-
Total comprehensive income for the period	**289,705**	**18,204**	**192,867**	**38,528**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of changes in equity

For the three-month periods ended 31 March 2013 and 2012 (Unaudited)

		Consolidated financial statements									
				Retained earnings		Other components of equity					
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Cumulative gain on dilution of investment in a subsidiary and an associate	Currency translation differences	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
						(in thousand Baht)					
Three month period ended 31 March 2012											
Balance at 1 January 2012		**5,479,688**	**4,301,990**	**413,853**	**3,732,489**	**331,366**	**(120,017)**	**211,349**	**14,139,369**	**37,078**	**14,176,447**
Transactions with owners, recorded directly in equity											
Unrealised gain from decrease in shareholding in an associate	*6*	-	-	-	-	90	-	90	90	-	90
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**-**	**90**	**-**	**90**	**90**	**-**	**90**
Comprehensive income for the period											
Profit		-	-	-	42,366	-	-	-	42,366	-	42,366
Other comprehensive income		-	-	-	-	-	(23,170)	(23,170)	(23,170)	(992)	(24,162)
Total comprehensive income for the period		**-**	**-**	**-**	**42,366**	**-**	**(23,170)**	**(23,170)**	**19,196**	**(992)**	**18,204**
Balance at 31 March 2012		**5,479,688**	**4,301,990**	**413,853**	**3,774,855**	**331,456**	**(143,187)**	**188,269**	**14,158,655**	**36,086**	**14,194,741**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of changes in equity

For the three-month periods ended 31 March 2013 and 2012 (Unaudited)

		Consolidated financial statements									
				Retained earnings		Other components of equity					
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Cumulative gain on dilution of investment in a subsidiary and an associate	Currency translation differences	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
					(in thousand Baht)						
Three month period ended 31 March 2013											
Balance at 1 January 2013		**5,479,688**	**4,301,990**	**453,153**	**3,763,907**	**331,457**	**(127,518)**	**203,939**	**14,202,677**	**35,839**	**14,238,516**
Transactions with owners, recorded directly in equity											
Dividends to owners of the Company	*13*	-	-	-	(438,375)	-	-	-	(438,375)	-	(438,375)
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**(438,375)**	**-**	**-**	**-**	**(438,375)**	**-**	**(438,375)**
Comprehensive income for the period											
Profit		-	-	-	330,376	-	-	-	330,376	-	330,376
Other comprehensive income		-	-	-	-	-	(39,123)	(39,123)	(39,123)	(1,548)	(40,671)
Total comprehensive income for the period		**-**	**-**	**-**	**330,376**	**-**	**(39,123)**	**(39,123)**	**291,253**	**(1,548)**	**289,705**
Balance at 31 March 2013		**5,479,688**	**4,301,990**	**453,153**	**3,655,908**	**331,457**	**(166,641)**	**164,816**	**14,055,555**	**34,291**	**14,089,846**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of changes in equity

For the three-month periods ended 31 March 2013 and 2012 (Unaudited)

		Separate financial statements				
				Retained earnings		
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Total equity
				(in thousand Baht)		
Three month period ended 31 March 2012						
Balance at 1 January 2012		**5,479,688**	**4,301,990**	**413,853**	**2,173,492**	**12,369,023**
Comprehensive income for the period						
Profit		-	-	-	38,528	38,528
Total comprehensive income for the period		**-**	**-**	**-**	**38,528**	**38,528**
Balance at 31 March 2012		**5,479,688**	**4,301,990**	**413,853**	**2,212,020**	**12,407,551**
Three month period ended 31 March 2013						
Balance at 1 January 2013		**5,479,688**	**4,301,990**	**453,153**	**2,879,238**	**13,114,069**
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	*13*	-	-	-	(438,375)	(438,375)
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**(438,375)**	**(438,375)**
Comprehensive income for the period						
Profit		-	-	-	192,867	192,867
Total comprehensive income for the period		**-**	**-**	**-**	**192,867**	**192,867**
Balance at 31 March 2013		**5,479,688**	**4,301,990**	**453,153**	**2,633,730**	**12,868,561**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of cash flows

For the three-month periods ended 31 March 2013 and 2012 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
		(in thousand Baht)			
Cash flows from operating activities					
Profit for the period		330,376	42,366	192,867	38,528
Adjustments for					
Depreciation of property and equipment	*7*	147,036	276,068	56,872	72,752
Amortisation of property and equipment under operating agreements	*7*	333,270	335,925	333,270	335,925
Amortisation of deferred charges	*7*	10,386	9,973	10,269	9,830
Amortisation of intangible assets	*7*	24,846	24,688	22,543	22,340
Impairment on assets		6,731	41,000	6,731	-
Current services costs of employee	*8*	7,729	3,198	5,036	2,107
Interest income		(7,866)	(18,852)	(5,818)	(13,092)
Finance cost		67,296	116,202	60,115	104,355
Gain on exchange rate		(132,210)	(13,125)	(111,346)	(50,205)
Amortisation of borrowing costs	*9*	611	4,401	611	1,526
(Reversal of) allowance for doubtful accounts	*4*	10,966	(20,062)	3,904	640
(Reversal of) allowance for obsolete inventory		2,184	5,777	(153)	4,957
Gain on disposal of property and equipment		(2,238)	(2,365)	(7,546)	(45,140)
Write-off property and equipment	*7*	472	-	2,465	-
Share of profits of associate	*6*	(61,545)	(44,980)	-	-
Income tax expense		99,362	59,342	60,484	22,449
		837,406	819,556	630,304	506,972
Changes in operating assets and liabilities					
Trade and other accounts receivable		(60,379)	144,475	(336,489)	(31,718)
Amounts due from related parties		(5,438)	46	(48,978)	(146,872)
Inventories		44,647	33,354	33,603	31,577
Prepaid insurance		16,516	19,818	15,512	19,572
Other current assets		(33,548)	(76,744)	(195)	(5,699)
Other non-current assets		21,188	(778)	(693)	(778)
Trade and other accounts payable		(102,144)	(54,558)	(121,846)	26,260
Amounts due to related parties		(577)	(871)	(5,479)	13,113
Advance receipts from customers		164,937	409,462	(31,362)	364,721
Accrued operating agreement fee		168,036	138,251	168,036	167,422
Other current liabilities		(113,646)	(40,211)	(3,466)	(8,746)
Other non-current liabilities		3,934	(13,095)	12,175	(13,093)
Defined benefit obligations paid	*8*	-	(7,086)	-	(7,086)
Interest received		4,261	16,113	2,051	11,121
Income tax received (paid)		(19,710)	(72,388)	48,958	(27,410)
Net cash provided by operating activities		**925,483**	**1,315,344**	**362,131**	**899,356**

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries

Statements of cash flows

For the three-month periods ended 31 March 2013 and 2012 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		(in thousand Baht)			
Cash flows from investing activities					
Payment for property and equipment		(191,745)	(480,834)	(150,070)	(415,974)
Payment for property and equipment under operating agreements		(42)	(513)	(42)	(513)
Proceeds from sale of property and equipment		2,915	3,581	22,855	144,612
Short-term loan to a jointly-controlled entity	*3*	-	(8,007)	-	(16,340)
Proceeds from long-term loan to subsidiaries	*3*	-	-	-	3,060
Payments for deferred charges		(627)	(12,633)	(627)	(12,633)
Purchase of intangible assets		(5,618)	(2,309)	(5,492)	(1,929)
Net cash used in investing activities		**(195,117)**	**(500,715)**	**(133,376)**	**(299,717)**
Cash flows from financing activities					
Proceeds from short-term financial institutions	*9*	30,000	-	-	-
Proceeds from long-term borrowings	*9*	83,483	-	84,202	-
Repayments of long-term borrowings	*9*	(1,443)	(2,186)	(1,443)	(1,340)
Proceeds from other related party	*3*	-	8,040	-	-
Interest paid		(86,703)	(117,880)	(82,664)	(107,778)
Net cash from (used in) financing activities		**25,337**	**(112,026)**	**95**	**(109,118)**
Net increase in cash and cash equivalents		**755,703**	**702,603**	**228,850**	**490,521**
Cash and cash equivalents at 1 January		2,267,621	2,865,910	870,591	1,826,977
Effect of exchange rate changes on balances held in foreign currencies		(17,753)	13,000	(17,753)	13,000
Cash and cash equivalents at 31 March		**3,005,571**	**3,581,513**	**1,081,688**	**2,330,498**
Non-cash transactions					
Acquisition of property and equipment by issue of debt		26,358	9,781	25,543	9,781

The accompanying notes are an integral part of these financial statements.

Thaicom Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 10 May 2013.

1 General information

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

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

The Company's major shareholder was Shin Corporation Public Company Limited (41.14% shareholding) which is incorporated in Thailand.

The Company, its subsidiaries, jointly controlled entity and associate (Collectively referred to as "the Group") are primarily involved in transponder services 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, 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 10 countries; Thailand, Singapore, Cambodia, Lao PDR, Australia, New Zealand, the United States of America, Mauritius, the British Virgin Islands and Japan.

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.

Details of the Company's subsidiaries and jointly controlled entity as at 31 March 2013 and 31 December 2012 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2013	31 December 2012
Direct subsidiaries				
DTV Service Company Limited	Providing meeting center via internet and broadband content services and sale of direct television equipment	Thailand	99.99	99.99
iPSTAR Company Limited	Providing Thaicom 4 transponder services	The British Virgin Islands	99.96	99.96
Star Nucleus Company Limited	Providing broadband technological services via Thaicom 4 satellite	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	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	Sale of user terminal of Thaicom 4 and providing Thaicom 4 transponder services in Australia.	Australia	100	100
TC Broadcasting Company Limited	Providing broadcasting, television and telecommunication	Thailand	99.99	99.99
Indirect subsidiary				
Subsidiary of iPSTAR Company Limited				
IPSTAR New Zealand Company Limited	Sale of user terminal of Thaicom 4 and providing Thaicom 4 transponder services in New Zealand	New Zealand	100	100

Name of the entity	Type of business	Country of incorporation	Ownership Interest (%)	
			31 March 2013	31 December 2012
Jointly-controlled entity				
Shenington Investments Pte Limited	Holding company for investment in international telecommunications	Singapore	51	51
Subsidiary of Shenington Investments Pte Limited				
Mfone Company Limited (Note 5)	Providing fixed line, mobile phone and Internet services	Cambodia	51	51
Jointly-controlled entity 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
Associate				
CS Loxinfo Public Company Limited	Providing internet data centre service, internet and satellite uplink-downlink services	Thailand	42.07	42.07

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) *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 2012. 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 2012.

The FAP has issued the following new and revised TFRS and Announcements relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2013:

TFRS	Topic
TAS 12	Income Taxes
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

The adoption of these new and revised TFRS has no effects in the Group's accounting policies.

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 2012.

(b) 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 unless otherwise stated.

(c) Use of estimates and judgements

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.

Estimates

Measurement of defined benefit obligations

The calculation of the defined benefit obligation is sensitive to the assumptions on mortality and future salary rates as set out in note 8

Allowance

The calculation of the allowance for doubtful accounts of trade accounts receivable, allowance for obsolete and damaged inventories and others are related to the assumptions on analysis of payment histories and future expectations of customer payments, slow-moving information of inventories and recoverable amounts.

Utilisation of assets

The assumption of the useful lives and residual value of plant and equipment, assets under the Agreements for operations and intangible assets are reviewed on an ongoing basis.

3 Related parties

Enterprises and 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. Associates 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 Shin Corporation Public Company Limited ("Intouch") (incorporated in Thailand), which owns 41.14% (*31 December 2012: 41.14%*) of the Company's shares. Transactions with Intouch Group and shareholder 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. Consulting and management services were charged at an agreed percentage of assets. Transactions between the Company and Codespace, Inc. were conducted based on hourly rates plus reimbursement of actual expenses.

Significant transactions for the three-month period ended 31 March 2013 and 2012 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
Three-month period ended 31 March	2013	2012	2013	2012
	(in thousand Baht)			
Income				
Revenue from sale of goods and rendering of services				
Subsidiaries	-	-	378,316	361,989
Jointly-controlled entities	17	296	-	-
Associate	24,594	2,550	24,594	2,520
Related parties under common control	13,143	17,377	12,597	12,964
Other related party	43	52	-	-
Other income				
Subsidiaries	-	-	21,355	59,007
Jointly-controlled entities	6,355	907	12,970	1,851
Associate	407	-	407	-
Total	**44,559**	**21,182**	**450,239**	**438,331**
Expenses				
Purchases of goods and services				
Subsidiary	-	-	16,511	13,525
Jointly-controlled entities	-	933	-	1,851
Associate	7,061	5,470	7,028	5,470
Related parties under common control	177	322	93	74
Other related party	3,038	3,370	3,033	3,345
Selling and administrative expenses				
Subsidiaries	-	-	11,619	558
Jointly-controlled entities	-	2,299	-	4,692
Associate	675	725	655	675
Related parties under common control	3,728	1,599	3,445	1,483
Director and management benefit expenses	13,241	11,535	13,163	11,408
Other expenses				
Other related party	1,029	225	-	-
Total	**28,949**	**26,478**	**55,547**	**43,081**

Balances as at 31 March 2013 and 31 December 2012 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	(in thousand Baht)			
Trade accounts receivable and accrued income - related parties				
Trade accounts receivable				
Subsidiaries	-	-	340,096	66,683
Jointly-controlled entities	-	24,726	-	2,482
Associate	1,332	899	1,332	899
Related party under common control	4,753	4,872	4,368	4,461
Other related party	48,691	-	2,376	-
Total	**54,776**	**30,497**	**348,172**	**74,525**
Accrued income				
Subsidiaries	-	-	277	859
Jointly-controlled entity	-	75	-	-
Associate	15,120	10,080	15,120	10,080
Related parties under common control	4,433	4,342	4,170	4,285
Total	**19,553**	**14,497**	**19,567**	**15,224**
Total trade accounts receivable and accrued income - related parties	**74,329**	**44,994**	**367,739**	**89,749**
Less allowance for doubtful accounts	(47,633)	(24,318)	(2,376)	(2,482)
Net	**26,696**	**20,676**	**365,363**	**87,267**
Amounts due from related parties				
Subsidiaries	-	-	64,820	27,415
Jointly-controlled entities	10,349	4,478	105,733	98,866
Associate	75,030	433	-	433
Total	**85,379**	**4,911**	**170,553**	**126,714**
Short-term loan to a jointly-controlled entity	**126,820**	**132,543**	**258,816**	**270,496**

As at 31 March 2013, short-term loan to a jointly-controlled entity bears interest at the rate of 2.78% - 3.20% per annum *(31 December 2012: 3.25% - 3.81% per annum)* and is repayable when requested.

Movements during the three-month periods ended 31 March 2013 and 2012 of short-term loan to a jointly-controlled entity were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
At 1 January	132,543	78,943	270,496	161,109
Increase	-	8,007	-	16,340
Unrealised loss on exchange rate	(5,723)	(2,147)	(11,680)	(4,382)
At 31 March	**126,820**	**84,803**	**258,816**	**173,067**

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	(in thousand Baht)			
Other current assets - related parties				
Subsidiaries	-	-	537	585
Jointly-controlled entity	4,613	3,837	9,415	7,831
Associate	18,559	-	18,559	-
Total	**23,172**	**3,837**	**28,511**	**8,416**
Long-term loan to a subsidiary	**-**	**-**	**17,461**	**18,249**

As at 31 March 2013, long-term loan to subsidiary bears interest at the rate of 5.23% per annum *(31 December 2012: 5.30%).*

Movements during the three-month periods ended 31 March 2013 and 2012 of long-term loans to a subsidiary were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
At 1 January	-	-	18,249	28,352
Decrease	-	-	-	(3,060)
Loss on exchange rate	-	-	(788)	(776)
At 31 March	**-**	**-**	**17,461**	**24,516**

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	(in thousand Baht)			
Trade accounts payable - related parties				
Subsidiary	-	-	2,676	134
Jointly-controlled entity	249	249	332	332
Associate	5,931	5,504	5,918	5,490
Related party under common control	8	216	5	215
Other related party	7,405	-	2,168	-
Total	**13,593**	**5,969**	**11,099**	**6,171**
Amounts due to related parties				
Subsidiaries	-	-	93,173	97,937
Related party under common control	1,473	2,071	1,260	1,974
Other related party	669	648	-	-
Total	**2,142**	**2,719**	**94,433**	**99,911**
Advances receipts from customers - related parties				
Subsidiary	-	-	210,824	283,305
Jointly-controlled entity	-	252	-	-
Related party under common control	6	6	-	-
Other related party	492	-	-	-
Total	**498**	**258**	**210,824**	**283,305**
Accrued expenses - related parties				
Subsidiaries	-	-	29,921	4,500
Associate	1,204	1,071	1,171	1,071
Related parties under common control	1,441	1,033	1,458	1,045
Other related party	5,852	6,369	1,090	2,462
Total	**8,497**	**8,473**	**33,640**	**9,078**
Other current liabilities - related parties				
Subsidiaries	-	-	465	10
Related party under common control	160	160	160	160
Total	**160**	**160**	**625**	**170**
Short-term loan from other related party	**127,425**	**133,177**	**-**	**-**

As at 31 March 2013, short-term loan from other related party bear interest at the rate of 2.78%-3.20% per annum *(31 December 2012: 3.25% - 3.81% per annum*) and is repayable when requested.

Movements during the three-month periods ended 31 March 2013 and 2012 of short term loan from other related party was as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
At 1 January	133,177	79,295	-	-
Increase	-	8,040	-	-
Unrealised gain on exchange rate	(5,752)	(2,130)	-	-
At 31 March	**127,425**	**85,205**	**-**	**-**

Key management personnel compensation

Key management personnel compensation comprised:

	Consolidated financial statements		Separate financial statements	
Three-month period ended 31 March	2013	2012	2013	2012
	(in thousand Baht)			
Short-term employee benefits	12,633	11,186	12,555	11,059
Long-term benefits				
- Current service costs, included in administrative expenses	484	170	484	170
- Interest on obligation, included in finance costs	124	179	124	179
Total	**13,241**	**11,535**	**13,163**	**11,408**

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 represent monthly compensation, annual remuneration, and meeting fees whereas the directors benefit approved by the shareholders of the Company at their Annual General Meetings. The directors' remuneration is as part of directors and management benefit expenses presented in the statement of income.

Significant agreements with related parties

a. The Company entered into an agreement with an associate, under which the associate was committed to provide uplink data service for a period of approximately five years. The Company was committed to pay for the service in respect of the agreements at approximately Baht 39.55 million *(31 December 2012: approximately Baht 41.38 million).*

b. The Company and subsidiary entered into agreements with subsidiaries, 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 IPSTAR bandwidth.

c. The Company entered into agreements with subsidiaries and associate, under which the Company was committed to provide transponder service, IPSTAR bandwidth service and advisory service. Subsidiaries and associate were committed to pay the Company for the service of the agreements at approximately USD 96.36 million *(31 December 2012: approximately USD 101.37 million)*. The service fees of contracts vary to the actual used or number of installed user terminal at the rate stated in the contract.

d. The Company had entered into agreements with a certain related party, under which the related party was committed to maintain accounting program service for a period of one year with an option to renew. The company was committed to pay for the service in respect of the agreements at approximately Baht 9.39 million *(31 December 2012: approximately Baht 5.31 million)*.

e. The Company entered into an agreement with an associate, under which the Company was committed to provide satellite uplink equipment for a period of approximately three years and six months. An associate was committed to pay for rental fee in respect of the agreements at approximately Baht 21.87 million. *(31 December 2012: approximately Baht 23.41 million)*

4 Trade and other accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(in thousand Baht)			
Trade accounts receivable					
Related parties	*3*	54,776	30,497	348,172	74,525
Other parties		834,632	956,023	460,062	567,265
		889,408	**986,520**	**808,234**	**641,790**
Accrued income					
Related parties	*3*	19,553	14,497	19,567	15,224
Other parties		285,149	174,568	299,436	171,157
		304,702	**189,065**	**319,003**	**186,381**
Other accounts receivable					
Prepaid expenses		60,608	73,320	19,137	25,243
Advance payments		117,038	112,262	109,336	105,504
Others		28,867	8,220	32,152	10,208
		206,513	**193,802**	**160,625**	**140,955**
Total trade accounts receivable accrued income and other accounts receivable		**1,400,623**	**1,369,387**	1,287,862	**969,126**
Less allowance for doubtful accounts		(212,275)	(191,767)	(97,966)	(97,657)
Net		**1,188,348**	**1,177,620**	**1,189,896**	**871,469**

	2013	2012	2013	2012
	(in thousand Baht)			
(Reversal of) bad and doubtful debts expenses for the three - month period ended 31 March	**10,966**	**(20,062)**	**3,904**	**640**

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	(in thousand Baht)			
Within credit terms	252,149	364,569	432,761	200,470
Overdue:				
Less than 3 months	314,807	284,387	182,683	204,290
3 - 6 months	103,337	129,232	30,522	72,817
6 - 12 months	53,765	55,474	56,363	55,186
Over 12 months	165,350	152,858	105,905	109,027
	889,408	**986,520**	**808,234**	**641,790**
Less allowance for doubtful accounts	(212,275)	(191,767)	(97,966)	(97,657)
Net	**677,133**	**794,753**	**710,268**	**544,133**

The normal credit term for general customers were granted by the Group ranging 30 - 60 days.

5 Non-current assets held for abandonment and discontinued operation

On 7 January 2013, the Board of Directors approved proposal of the management of the jointly-controlled entity to file to commence insolvency proceedings for Mfone based on the relevant Cambodian Law, due to the financial position and its operation results from sales and provision of service of its telephone business segment in Cambodia which Mfone facing a continued losses, resulting in insufficient cash-flows to sustain operations and debt repayment, the Group decided to cease the financial support and thus discontinued such segment. Mfone filed a petition for the opening of insolvency proceedings to the Phnom-Penh Municipal Court ("Court") on 9 January 2013.

On 14 February 2013, the Court appointed the administrator. As a result, Mfone fell under the control of the Court and the administrator and consequently the Group lost the control over Mfone from that date. On 15 March 2013, the Court ordered Mfone to proceed with the liquidation under the laws of Cambodia and ordered the administrator to implement the liquidation process.

As the Group has given no further commitment and guarantee on behave of Mfone, therefore, the Group does not recognize any liabilities in the Group's consolidated financial statement.

The Group's consolidated financial statement for the period ended 31 March 2013 include the write-off the non-current assets and liabilities held for abandonment and separately present the operation result of Mfone under caption 'loss for the period from the discontinued operation' for the period until 14 February 2013 (the loss of control date).

The comparative statement of income for the period from 1 January to 14 February 2013(the loss of control date) and for the period ended 31 March 2013 has been re-presented to show the discontinued operations separately from continuing operations.

		Consolidated financial statements	
Period ended 31 March 2013	*Note*	2013	2012
		(in thousand Baht)	
Results of discontinued operation			
Total revenues		41,227	124,604
Total expenses		(92,193)	(251,299)
Results from operating activities		**(50,966)**	**(126,695)**
Income tax		(176)	8,088
Results from operating activities, net of income tax		**(51,142)**	**(118,607)**
Loss per share	*12*		
Basic loss per share (Baht)		(0.05)	(0.11)
Diluted loss per share (Baht)		(0.05)	(0.11)

The loss from discontinued operation of Baht 51.14 million (*2012: Baht 118.61 million*) is attributable entirely to the owners of the Company.

Since 31 December 2012, the Group has entirely recognised allowance for impairment on net assets of Mfone. Accordingly, they did not have any impact on the consolidated financial statements from gain (loss) transaction at the loss of control date.

Details of the assets and liabilities of non-current assets held for abandonment as at 31 December 2012 are as follows:

	Consolidated financial statements *(in thousand baht)*
Effect to Financial position of the Company	
Cash and cash equivalents	11,210
Trade and other receivable	15,806
Inventories	7,286
Other current assets	134,670
Property and equipment	1,605,680
Other non-current assets	65,504
Trade and other payables	(155,858)
Current portion of long-term borrowings	(1,431,256)
Advance receipts from customers	(37,882)
Accrued operating agreement fee	(44,916)
Other current liabilities	(9,276)
Deferred tax liabilities	(89,955)
Net assets	**71,013**
Less impairment loss	(71,013)
Net	**-**

6 Investments in subsidiaries, jointly-controlled entity and an associate

	Consolidated financial statements		Separate financial statements	
Three-month period ended 31 March	2013	2012	2013	2012
	(in thousand Baht)			
At 1 January	455,549	451,457	1,803,272	831,454
Acquisition	-	-	-	971,568
Share of net profits of investments in associate - equity method	61,545	44,980	-	-
Unrealised gain from decrease in shareholding in an associate	-	90	-	-
Dividend income	(75,030)	(67,527)	-	-
At 31 March	**442,064**	**429,000**	**1,803,272**	**1,803,022**

Investments in subsidiaries, jointly-controlled entities and associate as at 31 March 2013 and 31 December 2012, and dividend income from those investments for the three-month periods ended 31 March 2013 and 2012 were as follows:

	Consolidated financial statements													
	Ownership interest		Paid-up capital		Cost		Equity		Impairment		Equity - net of impairment		Dividend income for three-month period ended	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 March 2012
	(%)				*(in million Baht)*									
Associate														
CS Loxinfo Public Company Limited	42.07	42.07	150	148	1,482	1,482	442	456	-	-	442	456	75	68
Total					**1,482**	**1,482**	**442**	**456**	**-**	**-**	**442**	**456**	**75**	**68**

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		Cost - net of impairment		Dividend income	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 March 2013
	(%)				*(in million Baht)*							
Subsidiaries												
DTV Service Company Limited	99.99	99.99	Baht 399 million	Baht 399 million	399	399	-	-	399	399	-	-
Spacecode LLC	70.00	70.00	USD 4 million	USD 4 million	118	118	-	-	118	118	-	-
iPSTAR Company Limited	99.96	99.96	USD 2 million	USD 2 million	154	154	-	-	154	154	-	-
Star Nucleus Company Limited	100.00	100.00	-	-	-	-	-	-	-	-	-	-
IPSTAR International Pte Limited	100.00	100.00	SGD 20,000	SGD 20,000	1	1	-	-	1	1	-	-
IPSTAR Global Services Company Limited	100.00	100.00	USD 20,000	USD 20,000	1	1	-	-	1	1	-	-
Cambodian DTV Network Company 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	-	971	971	-	-	971	971	-	-
TC Broadcast Company Limited	99.99	99.99	Baht 0.25 million	Baht 0.25 million	-	-	-	-	-	-	-	-
Total					**1,665**	**1,665**	**-**	**-**	**1,665**	**1,665**	**-**	**-**
Jointly-controlled entity												
Shenington Investments Pte Limited	51.00	51.00	SGD 15 million	SGD 15 million	**138**	**138**	**-**	**-**	**138**	**138**	**-**	**-**

Significant movements in investments in subsidiaries, jointly controlled entity and an associate for the three-month period ended 31 March 2013 were as follows:

Jointly controlled entity

a) Dividend payment of Lao Telecommunications Company Limited ("LTC")

At the Annual General Meeting of the shareholders of LTC held on 4 February 2013, the shareholders approved the appropriation of dividend from 2012 operation of USD 15 million.

Associate

b) Proposed dividend payment of CS Loxinfo Public Company Limited ("CSL")

At the annual general meeting of the shareholders of CSL held on 28 March 2013, the shareholders approved the appropriation of dividend of Baht 0.30 per share, amounting to Baht 178 million. The dividend was paid to shareholders on 23 April 2013.

c) Reduction of share capital of CS Loxinfo Public Company Limited ("CSL")

At the annual general meeting of the shareholders of CSL held on 28 March 2013, a resolution was passed to reduce the ordinary shares because the warrant of CSL for ESOP-Grant V expired on 30 May 2012, in number of 2,494,374 shares, equivalent to 0.42% of the total issued and paid-up share capital of CSL. CSL has registered the decreased share capital to the Ministry of Commerce on 11 April 2013.

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 2021.

7 Capital expenditure and commitments

	Consolidated financial statements			
	Property and equipment	Property and equipment under agreements for operation	Deferred charges	Intangible assets
	(in thousand Baht)			
Transactions during the three-month period ended 31 March 2013				
Opening net book value	5,646,546	11,481,853	89,689	919,602
Additions	215,479	139	626	8,145
Disposal, net	(676)	-	-	-
Transfer, net	(4,922)	-	-	-
Write-offs, net	(472)	-	-	-
Depreciation / amortisation charges	(147,036)	(333,270)	(10,386)	(24,846)
Impairment loss	(6,731)	-	-	-
Foreign currency translation adjustments	(39,031)	-	-	(3,233)
Closing net book value	**5,663,157**	**11,148,722**	**79,929**	**899,668**
As at 31 March 2013				
Cost	9,818,258	21,147,346	733,682	1,629,049
Less accumulated depreciation / amortisation	(4,136,016)	(9,998,624)	(653,753)	(729,381)
Less accumulated impairment loss	(19,085)	-	-	-
Net book value	**5,663,157**	**11,148,722**	**79,929**	**899,668**

The gross amount of the Group's fully depreciated property and equipment that was still in use as at 31 March 2013 amounted to Baht 1,597.46 million *(31 December 2012: Baht 1,622.08 million).*

As at 31 March 2013 the accumulated impairment loss of Baht 19.1 million *(31 December 2012: Baht 28.6 million)* comprised an impairment loss for Ipstar ground system of the Company amounting to Baht 6.7 million and an impairment loss for rural telephone network of another jointly controlled entity amounting to Baht 12.4 million.

	Separate financial statements			
	Property and equipment	Property and equipment under agreements for operation	Deferred charges	Intangible assets
	(in thousand Baht)			
Transactions during the three-month period ended 31 March 2013				
Opening net book value	3,969,936	11,481,853	88,937	783,132
Additions	173,085	139	627	8,019
Disposal, net	(15,258)	-	-	(52)
Transfer, net	(4,227)	-	-	-
Write-offs, net	(2,465)	-	-	-
Depreciation / amortisation charges	(56,872)	(333,270)	(10,269)	(22,543)
Impairment loss	(6,731)	-	-	-
Closing net book value	**4,057,468**	**11,148,722**	**79,295**	**768,556**
As at 31 March 2013				
Cost	6,057,816	21,147,346	702,272	1,426,257
Less accumulated depreciation / amortisation	(1,993,617)	(9,998,624)	(622,977)	(657,701)
Less accumulated impairment loss	(6,731)	-	-	-
Net book value	**4,057,468**	**11,148,722**	**79,295**	**768,556**

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 March 2013 amounted to Baht 1,352.95 million *(31 December 2012 : Baht 1,387.02 million)*.

Borrowing costs for the three-month period ended 31 March 2013, arising on financing specifically entered into for assets under construction of Baht 36.18 million *(31 December 2012: Baht 70.50 million)*.

As at 31 March 2013, property and equipment included a project in progress of Baht 3,376.74 million *(31 December 2012* : *Baht 3,266.97 million)*, relating to the Thaicom 6 project. The Thaicom 6 project will be fully operational with the launch of Thaicom 6 satellite within 2013. According to the operating agreement made with the Ministry of Information Communication and Technology ("MICT"), the Company must transfer its ownership of the Thaicom 6 satellite to MICT on the date of completion of construction and installation.

Capital expenditure commitments

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

		Consolidated financial statements		Separate financial statements	
	Currency	31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(in thousand)			
THAICOM 4 Project	USD	26	26	26	26
THAICOM 6 Project	USD	34,916	37,730	34,916	37,730
120°E Project	USD	171,000	171,000	171,000	171,000
Telephone network	USD	3,686	3,888	-	-
Total	USD	209,628	212,644	205,942	208,756
Total equivalent to Thai Baht		**6,173,033**	**6,544,658**	**6,064,494**	**6,424,984**

On 15 December 2011, the Company entered into a cooperation agreement to preserve the orbital location of 120 degrees East by co-investment in a satellite construction with Asia Satellite Telecommunications Company Limited in the total amount of USD 171 million for 15 years period of the project.

8 Employee benefit obligations

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	(in thousand Baht)			
Present value of unfunded obligations	296,158	180,115	161,985	104,264
Actuarial losses in other comprehensive income	-	107,205	-	51,179
Statement of financial position obligation	**296,158**	**287,320**	**161,985**	**155,443**

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
Three-month period ended 31 March	2013	2012	2013	2012
	(in thousand Baht)			
Defined benefit obligations at 1 January	287,320	167,308	155,443	95,542
Benefits paid by the plan	-	(7,086)	-	(7,086)
Current service costs and interest	10,441	5,634	6,483	3,406
Past service costs	63	-	59	-
Unrealised gain from foreign exchange rate	(1,666)	(1,692)	-	-
Defined benefit obligations at 31 March	**296,158**	**164,164**	**161,985**	**91,862**

Expense recognised in profit or loss:

	Consolidated financial statements		Separate financial statements	
Three-month period ended 31 March	2013	2012	2013	2012
	(in thousand Baht)			
Current service costs of employee	7,666	3,198	4,977	2,107
Past service costs	63	-	59	-
Interest on obligation	2,775	2,436	1,506	1,299
Total	**10,504**	**5,634**	**6,542**	**3,406**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	%			
Discount rate	3.90	3.90	3.90	3.90
Future salary increases	8.00-15.00	8.00-15.00	8.00	8.00

9 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	(in thousand Baht)			
Current				
Short-term loans				
short-term loans from financial institutions	30,000	-	-	-
Total short-term loans from financial institutions	30,000	-	-	-
Current portion of long-term borrowings				
Loans from financial institutions	139,046	103,583	-	-
Loans from others	12,023	11,808	6,601	6,315
Total current portion of long-term borrowings	151,069	115,391	6,601	6,315
Non-current				
Long-term borrowings				
Loans from financial institutions	3,210,126	3,315,853	3,135,697	3,190,704
Loans from others	34,485	34,446	19,950	19,716
Total long-term borrowings	3,244,611	3,350,299	3,155,647	3,210,420
Long-term debentures	3,696,036	3,695,425	3,696,036	3,695,425
Total non-current interest –bearing liabilities	6,940,647	7,045,724	6,851,683	6,905,845
Total	**7,121,716**	**7,161,115**	**6,858,284**	**6,912,160**

Long-term debentures were as follows:

As at 31 March 2013, the Company had once tranches of Baht 3,700 million, with a par value of Baht 1,000 each, unsubordinated and unsecured with having registered and bond holders representative debentures as follow:

Issue date	No. of units (Million)	Amount (Million Baht)	Interest rate per annum	Term of interest payment	Principal payment term	Outstanding balance as at 31 March 2013 *(in million Baht)*
6 November 2009	3.7	3,700	6.15%	Quarterly	Entirely redeemed on 6 November 2014	3,700
Less bond issuing cost						(4)
Net						**3,696**

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios.

The movements in the borrowings can be analysed as follows:

	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
For the three-month period ended 31 March 2013		
Opening net book value	7,161,116	6,912,160
Proceeds from short-term loans from financial institutions	30,000	-
Proceeds from long-term borrowings, net of financial costs	86,164	86,164
Repayment of long-term borrowings	(1,443)	(1,443)
Amortisation of finance costs	611	611
Gain on exchange rate	(154,732)	(139,208)
Closing net book value	**7,121,716**	**6,858,284**

Some subsidiaries have to maintain the financial ratios restricted in the long-term agreements.

Credit facilities

As at 31 March 2013 available credit facilities for loans from local and overseas banks are Baht 1,438 million *(31 December 2012: Baht 1,468 million).*

Facility agreement in relation to the financing of the Thaicom 6 satellite project

The Company entered into a Loan Agreement with a local bank on 29 August 2011 for USD 137 million, to support the Thaicom 6 satellite project. The term of the loan is 10 years with the interest rate based on margins over the London Inter-Bank Offer Rate ("LIBOR"). In addition, the Company must comply with the conditions in the Loan Agreement in respect of maintaining certain financial ratios, dividend payment policy, guarantee, sale or transfer of assets and investment.

10 Share capital

	Par value per share (Baht)	2013 Number	2013 Amount	2012 Number	2012 Amount
		(thousand shares / thousand Baht)			
Authorised					
At 31 March					
- ordinary shares	***5***	**1,132,082**	**5,660,412**	**1,132,082**	**5,660,412**
Issued and paid-up					
At 31 January					
- ordinary shares	*5*	1,095,938	5,479,688	1,095,938	5,479,688
At 31 March					
- ordinary shares	***5***	**1,095,938**	**5,479,688**	**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.

Reduction of ordinary shares

At the annual general meeting of the shareholders of the Company held on 28 March 2013, the shareholders approved the reduction of the Company's registered capital from Baht 5,660,411,500 to Baht 5,479,687,700 by way of decreasing 36,144,760 registered shares at the par value of Baht 5 per share, in total of Baht 180,723,800. The Company registered the decreased share capital with the Ministry of Commerce on 29 April 2013.

Issue of ordinary shares

At the annual general meeting of the shareholders of the Company held on 28 March 2013, a resolution was passed to approve the issuance of 682,000 ordinary shares at the par value of Baht 5 per share, in total of Baht 3,410,000 to reserve for the exercise of the warrant. The Company registered the increased share capital with the Ministry of Commerce on 9 May 2013.

Warrants under ESOP schemes

At the annual general meeting of the shareholders held on 28 March 2013, the shareholders approved the issuance and offering of warrants not exceeding 682,000 units to directors and employees of the Company and its subsidiaries at the rate of 0 baht per unit. The warrants are specified name and non-transferable.

Movements in the number of outstanding warrants under the ESOP-Grant VI for the year ended 31 March 2013 are as follows:

	Issued date	Issued *(units)*	Exercise ratio *(unit : share)*	Exercise Price *(Baht/unit)*	Exercise period First	Last
ESOP - Grant VI	28 March 2013	682,000	1 : 1	23.266	1 June 2016	31 May 2018

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.

11 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 in Lao People's Democratic Republic
Segment 4	Others

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 and Japan main activities are sales and services relating to satellite business.

The Group comprises the following main geographic segments:

Segment 1	Thailand
Segment 2	Lao People's Democratic Republic
Segment 3	Australia
Segment 4	China
Segment 5	India
Segment 6	Japan
Segment 7	Others

Revenue and results, based on business segments, in the consolidated financial statements for the three-month periods ended 31 March 2013 and 2012 were as follows:

	Satellite business services		Internet services and media		Telephone network		Others		Consolidation eliminations		Total continuing operations		Discontinued operation		Consolidated financial statements	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
									(in million Baht)							
Revenues	1,542	1,522	59	92	193	177	-	-	(20)	(9)	1,774	1,782	41	125	1,815	1,907
Shares of net results from associate	-	-	62	45	-	-	-	-	-	-	62	45	-	-	62	45
Cost of sales and services	(910)	(1,017)	(57)	(84)	(115)	(93)	-	-	9	14	(1,073)	(1,180)	(36)	(224)	(1,109)	(1,404)
Selling and administrative expenses	(338)	(245)	(15)	(15)	(54)	(39)	(24)	(6)	25	1	(406)	(304)	(55)	(23)	(461)	(327)
Segment results	294	260	49	38	24	45	(24)	(6)	14	6	357	343	(50)	(122)	(307)	221
Other income											20	25	-	-	20	25
Gain (loss) on foreign exchange											119	13	-	(1)	119	12
Reversal of (loss) on impairment asset											51	(41)	-	-	51	(41)
Profit (loss) before finance cost and income tax											547	340	(50)	(123)	497	217
Finance costs											(66)	(112)	(1)	(4)	(67)	(116)
Operating profit (loss)											481	228	(51)	(127)	430	101
Income tax											(99)	(67)	-	8	(99)	(59)
Non-controlling interests											-	-	-	-	-	-
Net profit (loss)											**382**	**161**	**(51)**	**(119)**	**331**	**42**
Segment assets	22,303	22,188	306	266	1,523	1,413	26	17	(322)	(431)	23,836	23,453	-	1,769	23,836	25,222
Loan to other related party	127	133	-	-	-	-	-	-	-	-	-	-	-	-	127	133
Associate	-	-	442	456	-	-	-	-	-	-	-	-	-	-	442	456
Total assets															**24,405**	**25,811**
Segment liabilities	2,723	2,116	160	172	304	275	131	143	(95)	(64)	3,223	2,642	-	1,769	3,223	4,411
Borrowings	6,858	6,912	135	135	20	20	79	94	-	-	7,092	7,161	-	-	7,092	7,161
Total															**10,315**	**11,572**

Revenue and results, based on geographical segments, in the consolidated financial statements for the three-month periods ended 31 March 2013 and 2012 were as follows:

	2013	2012
	(in thousand Baht)	
Segment revenue		
Thailand	759,211	744,562
Lao PDR	216,297	187,679
Australia	287,095	283,182
China	5,999	2,435
India	77,363	64,497
Japan	183,395	200,434
Others	244,471	299,152
Total continuing operations	**1,773,831**	**1,781,941**
Discontinued operation	41,165	124,875
Total	**1,814,996**	**1,906,816**

Major customer

For the three-month period ended 31 March 2013 and 2012, the Group has no revenue transactions with a single external customer amount to 10 percent or more of the Group's revenues.

	2013	2012
	(in thousand Baht)	
Segment results		
Thailand	414,668	402,835
Lao PDR	34,930	44,827
Australia	124,044	107,087
China	(128,673)	(198,946)
India	(63,472)	(62,888)
Japan	58,775	89,835
Others	(83,586)	(40,030)
Total continuing operations	**356,686**	**342,720**
Discontinued operation	(49,314)	(121,734)
Total	**307,372**	**220,986**

Other non-current assets based on geographical segments, in the consolidated financial statements for the period ended 31 March 2013 and 31 December 2012 were as follows:

	31 March 2013	31 December 2012
	(in thousand Baht)	
Other non-current assets		
Thailand	16,932,068	17,201,834
Lao PDR	1,327,286	1,374,070
Australia	198,603	228,729
China	28,610	23,614
India	149,712	163,091
Japan	70,445	102,829
Others	196,128	230,394
Total	**18,902,852**	**19,324,561**

12 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the three-month periods ended 31 March 2013 and 2012 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					
	2013			2012			2013			2012		
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
	(in thousand Baht /thousand shares)											
Profit (loss) for the period	381,518	(51,142)	330,376	160,973	(118,607)	42,366	192,867	-	192,867	38,528	-	38,528
Profit (loss) attributable to ordinary shareholders of the Company (diluted)	**381,518**	**(51,142)**	**330,376**	**160,973**	**(118,607)**	**42,366**	**192,867**	**-**	**192,867**	**38,528**	**-**	**38,528**
Number of ordinary shares outstanding	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**
Earnings (loss) per share (diluted) *(in Baht)*	**0.35**	**(0.05)**	**0.30**	**0.15**	**(0.11)**	**0.04**	**0.18**	**-**	**0.18**	**0.04**	**-**	**0.04**

Diluted earnings per share

The calculation of diluted earnings per share for the three-month periods ended 31 March 2013 and 2012 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					
	2013			2012			2013			2012		
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
	(in thousand Baht /thousand shares)											
Profit (loss) for the period	381,518	(51,142)	330,376	160,973	(118,607)	42,366	192,867	-	192,867	38,528	-	38,528
Profit (loss) attributable to ordinary shareholders of the Company (diluted)	**381,518**	**(51,142)**	**330,376**	**160,973**	**(118,607)**	**42,366**	**192,867**	**-**	**192,867**	**38,528**	**-**	**38,528**
Number of ordinary shares outstanding	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**	**1,095,938**
Earnings (loss) per share (diluted) *(in Baht)*	**0.35**	**(0.05)**	**0.30**	**0.15**	**(0.11)**	**0.04**	**0.18**	**-**	**0.18**	**0.04**	**-**	**0.04**

13 Dividends

At the annual general meeting of the shareholders of the Company held on 28 March 2013, the shareholders approved the appropriation of dividend of Baht 0.40 per share, amounting to Baht 438 million. The dividend was paid to shareholders on 24 April 2013.

14 Commitments with non-related parties

a) 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 31 March 2013, the remaining minimum fee is Baht 668 million (*31 December 2012: Baht 684 million)*. In addition, the Company, according to the aforementioned agreement, must transfer its ownership of all satellites, and monitoring stations and other operating equipments to MICT on the date of completion of construction and installation.

b) 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 and Shinawatra Computer and Communications Public Company Limited, the former name of Shin Corporation 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, which is a jointly-controlled entities of the Company, owns 49% of LTC's registered shares. At the end of the 25th year, in 2021, the Group has to transfer all of LTC's shares to the Government of the Lao People's Democratic Republic 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. As at 31 March 2013, LTC has remaining additional investment of approximately USD 92.90 million *(31 December 2012: USD 96.82 million).*

c) Agreements for operation of a company, subsidiary company and associated companies for the satellite uplink-downlink and Satellite Internet services and Internet services in Thailand

CS Loxinfo Public Company Limited ("CSL"), which is an associate of the Company, entered into agreements for operation with CAT Telecom Public Company Limited ("CAT") for a period of 22 years from 9 August 1994 to 8 August 2016 to provide satellite uplink-downlink and internet services.

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 subsidiaries and an associate operate the business to provide internet, broadcasting and telecommunication services under licenses granted by NTC as follow:

Type of license	Issued Date	Period
License of the Company		
Telecom Operation License Type I	16 August 2011	5 years
Telecom Operation License Type III	26 June 2012	20 years
License of DTV Service Company Limited		
Internet Operation License Type I	18 October 2009	5 years
License of TC Broadcasting Company Limited		
Broadcasting Operation License	4 March 2013	15 years
Licenses of CSL		
Internet Operation License Type II	26 April 2012	5 years
Internet Operation License Type I	8 September 2009	5 years
Telecom Operation License Type I	11 October 2009	5 years
Telecom Operation License Type III	20 December 2007	15 years

d) Obligation under "Financing and Project Agreement"

Lao Telecommunications Company Limited ("LTC") entered into a "Financing and Project Agreement" with the government of the Lao People's Democratic Republic ("government") and an organisation in Germany (KfW, Frankfurt am Main) on 25 October 2004 of an amount not exceeding Euro 6.5 million (approximately Baht 244.21 million) for the procurement and installation of Phase VI of a rural telecommunication network. Under the agreement, the ownership of network assets will be transferred to LTC through loan at 30% of the network assets' value excluding consulting services project and interest rate of loan 4% per year. As at 31 March 2013, LTC has recognised the network assets relating to Phase VI and the related portion of the loan in the amount of Kip 18.44 billion (approximately Baht 69.15 million) and has paid loan repayment for the loan in the amount of Kip 3.69 billion (approximately Baht 14.01 million).

e) Obligation from shares buy back options

On 23 October 2003, the Company and Codespace Inc. entered into a "Memorandum of Agreement", which provides Codespace Inc. an option to sell 2.2 million shares of iPSTAR Co., Ltd. to the Company, with the condition that the Company has the first option to purchase these shares. If the offered price per share is greater than the higher of USD 1 or fair market value at offering date, the Company has the right to refuse. If the offered price per share is equal to the higher of USD 1 or fair market value at offering date, the Company has to purchase those shares from Codespace Inc. The Company believes that Codespace Inc. will not exercise the option because according to the result of the financial analysis of the Company, the value per share of iPSTAR Co., Ltd.'s shares is higher than USD 1. As of 31 March 2013, the remaining share option was 0.08 million shares *(31 December 2012: 0.08 million shares).*

f) Operating lease commitments

As at 31 March 2013 and 31 December 2012, the Group has future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		Consolidated financial statements		Separate financial statements	
	Currency	31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(in thousands)			
Within one year	THB	22,033	22,525	22,033	22,525
	YEN	14,946	17,269	1,087	2,174
	USD	3,021	3,795	2,986	3,760
	Rupee	4,998	5,577	4,998	5,577
	Rupiah	32,000	15,000	32,000	15,000
	Ringgit	40	7	40	7
	KIP	133,364	388,530	-	-
	PHP	1,598	564	1,598	564
	AUD	154	154	-	-
	NZD	307	307	-	-
Total equivalent Baht		133,078	163,599	114,853	142,932
After one year but within five years	THB	43,838	48,425	43,838	48,425
	YEN	11,216	13,339	-	-
	USD	7,534	7,798	7,510	7,764
	Rupee	-	801	-	801
	KIP	340,893	431,426	-	-
	AUD	439	479	-	-
	NZD	766	819	-	-
Total equivalent Baht		303,020	331,430	264,982	287,869
After five years	THB	7,321	9,475	7,321	9,475
	USD	2,219	2,225	2,219	2,225
	YEN	6,200	6,800	-	-
	KIP	214,408	252,581	-	-
Total equivalent Baht		75,425	81,343	72,661	77,950
Grand total equivalent Baht		**511,523**	**576,372**	**452,496**	**508,751**

g) Other commitments

The Group had 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	31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(in thousands)			
Minimum operating agreement fee payable to Ministry of Information Communication and Technology	THB	65,000	65,000	65,000	65,000
IPSTAR equipment sales	USD	129	166	129	166
	THB	405	552	405	552
Satellite space leasing by customers	USD	2,008	2,008	2,008	2,008
	THB	615,750	447,417	615,750	447,417
Forward contract	USD	13,764	-	13,764	-
	JPY	503,468	-	503,468	-
Letters of credit	USD	-	250	-	-
Others	THB	3,332	3,332	3,322	3,322

15 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. But 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.

The Tax Authority still insists on its consideration and has raised the tax demand including surcharge, education cess and interest aggregating to Rs. 804.5 million (approximately Baht 435 million) against the said payment received by it from the customers and also levied penalty of Rs. 566.1 million (approximately Baht 306 million) for the Assessment Year ('AY') 1998-1999 to 2009-2010 (1 April 1997 to 31 March 2009).

So far, the Company had received Withholding Tax Certificates ('WTC') from its customers until Assessment Year ('AY') 2007-2008 net amounting to Rs. 498.4 million (approximately Baht 269 million), in which part of the amount is substituted and paid by the customer on behalf of the Company. The Company had also deposited Rs. 460.2 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 1998-99, 1999-00, 2000-01, 2001-02 and 2002-03 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 Rs. 162.4 million (approximately Baht 88 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 September 28, 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.

If the Supreme court decides finally that the Company's income is taxable in India, the total tax liability demanded by the said Authority of Rs. 804.5 million (approximately Baht 435 million) will be charged as expense immediately, but the Company has already placed withholding tax and the deposit against part of the tax demand. The Company is liable for tax demand in the amount of Rs. 8.4 million (approximately Baht 5 million).

16 Other events

a) According to the judgment 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 judgment 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 judgment 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.

b) 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 verdict.

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.

17 Re-presentation

The statements of income for the three-month periods ended 31 March 2012, which are included in the 2013 interim financial statements for comparative purposes, have been re-presented to conform to the presentation in the 2013 interim financial statements as follows:

	2012 Consolidated financial statements		
	Before reclass	Reclass	After reclass
	(in thousand Baht)		
Statement of income			
Revenues from sale of goods and rendering of services	1,906,816	(124,898)	1,781,918
Net foreign exchange gain	12,432	528	12,960
Other income	25,491	(234)	25,257
Total income	**1,944,739**	**(124,604)**	**1,820,135**
Cost of sale of goods and rendering	1,214,555	(217,985)	996,570
Operating agreements fee	189,227	(6,305)	182,922
Selling expenses	32,675	(4,289)	28,386
Administrative expenses	323,997	(18,218)	305,779
Directors and management benefit expenses	11,356	(71)	11,285
Finance costs	116,201	(4,431)	111,770
Total expenses	**1,888,011**	**(251,299)**	**1,636,712**
Share of profit of associate	44,980	-	44,980
Profit (loss) before income tax expense	**101,708**	**126,695**	**228,403**
Income tax expense	(59,342)	(8,088)	(67,430)
Profit (loss) for the year	**42,366**	**118,607**	**160,973**

The re-presentation has been made in order to comply with IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations