

# Shin Corporation Plc.

**Opportunity Day**  
**Nov 15, 2011**



# Vision

**We are the leading value creation asset management company in telecom and media**



# INTOUCH Group

## Wireless Communications



## Satellite & Inter. Business



## Media & Advertising



### Domestic Network Provider

#### Advanced Info Service

Largest mobile operator with over 32.8mn subscribers

### Regional network provider

#### Thaicom

1 Thaicom satellite with 25 C-band & 14 Ku band transponders  
IPSTAR broadband satellite in 13 countries

DTV subs of 1.14mn

### International Business

LTC No.1 operator in Laos with 1.3mn mobile subscribers

Mfone No.3 operator in Cambodia with 0.53mn mobile subscribers

### Advertising Agency

Matchbox

ITV

### CS Loxinfo






Internet Service Provider

### Teleinfo Media

Yellow Pages and Content Aggregator



# INTOUCH Group Performance

Assets	Stake	Performance (3Q11)
	42.5%	3Q11 service revenue excl. IC grew by 13% YoY to Bt24.3bn. Voice usage overcame seasonal effect by 0.4% growth QoQ. Non-voice revenue was a key driver, representing 36% YoY growth. EBITDA was Bt14bn, rose by 11% YoY or EBITDA margin was at 45.1%, lower than 45.4% in 3Q10. Net income was Bt6.2bn, raised 26% YoY while normalized net profit was Bt6.6bn, an increased of 24% YoY.
	41.1%	Revenue from sale of goods and rendering of services in 3Q11 was Bt2bn, up by 21.6% YoY. It is mainly from 46.3% YoY increased in Satellite business. In 3Q11 THCOM reported an EBITDA of Bt802mn, grew by 101.5% YoY from Bt398mn. THCOM generated net profit of Bt16mn in this quarter, improved from net loss of Bt317mn in 3Q10.
	Subsidiary of THCOM	Revenue from telephone services in 3Q11 was Bt277mn, declined by 13.7% YoY. It is mainly due to a price war and severe competition in both Cambodia and Laos markets. The number of Mfone's subscribers declined to 0.53mn from 0.55mn in 2Q11 and LTC subscribers also dropped from 1.57mn in 2Q11 to 1.3mn in this quarter.
	Subsidiary of THCOM	CSL reported a normalized profit in 3Q11 of Bt106mn, an increase of 16% YoY. This is mainly due to the growth of revenue from Internet and Mobile content businesses. EBITDA increased 9% YoY to Bt190mn owing to revenue growth and cost control.
	Subsidiary of THCOM	As at the end of 3Q11, accumulated DTV sales volume was 1.14mn sets, up from 1.07mn sets in 2Q11 and 847,883 sets in 3Q10. Currently, there are 86 TV and radio channels broadcasted through DTV in Thailand.



# Telecommunication Business



# AIS 3Q11 & 9M11 Key Financial Highlights

Financial Highlights (Bt million)	3Q11	2Q11	3Q10	% QoQ	% YoY	9M11	9M10	% YoY
Service revenue ex.IC*	24,343	23,910	21,547	▲1.8%	▲13%	72,042	64,472	▲12%
Non-voice	5,077	4,694	3,733	▲8.2%	▲36%	14,285	10,965	▲30%
Sales revenue	2,918	3,429	2,286	▼15%	▲28%	9,908	6,036	▲64%
EBITDA	13,981	13,975	12,550	0%	▲11%	42,292	37,997	▲11%
EBITDA margin	45.1%	44.9%	45.4%	▲20 bps	▼30 bps	45.3%	46.8%	▼150bps
Service margin ex.IC	48.4%	49.1%	48.2%	▼70bps	▲20 bps	49.2%	**48.8%	▲40 bps
Free cash flow (EBITDA-CAPEX)	12,282	12,767	11,186	▼3.8%	▲9.8%	38,576	34,538	▲12%
Capex	1,699	1,209	1,364	▲41%	▲25%	3,717	3,459	▲7.5%

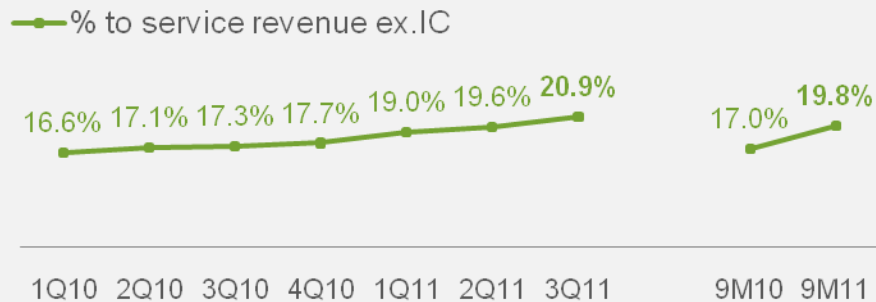
\*restated since 1Q10 according to TFRS adoption

\*\*excluding one-time network related item in 2Q10



# Data user reached 8m supported by strong demand of mobile internet

## Non-voice revenue\*



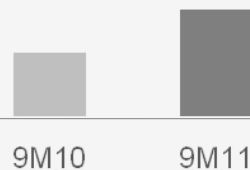
\*Non-voice services = SMS+Ringback tone+Enterprise+Mobile data+others

- Mainly driven by strong growth of mobile data.
- Non-messaging contributed larger portion of service revenue at 14% in 9M11 compared to 11% last year.
- Mobile data continued its strong momentum in term of both usage and subscriber, particularly after speed and network capacity upgrade

## Data growth indicators

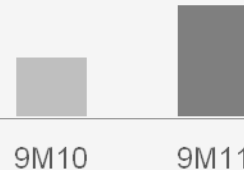
**Data subscriber**  
(million subscriber)

→ +31% YoY



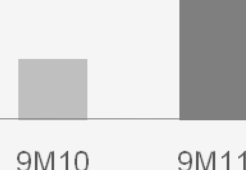
**Data usage**  
(usage/sub/month)

→ +89% YoY



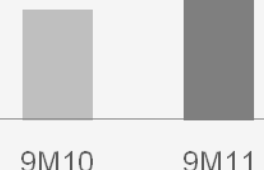
**Mobile data revenue**  
(Bt million)

→ +71% YoY



**Non-messaging revenue\*\***  
(% to service revenue ex.IC)

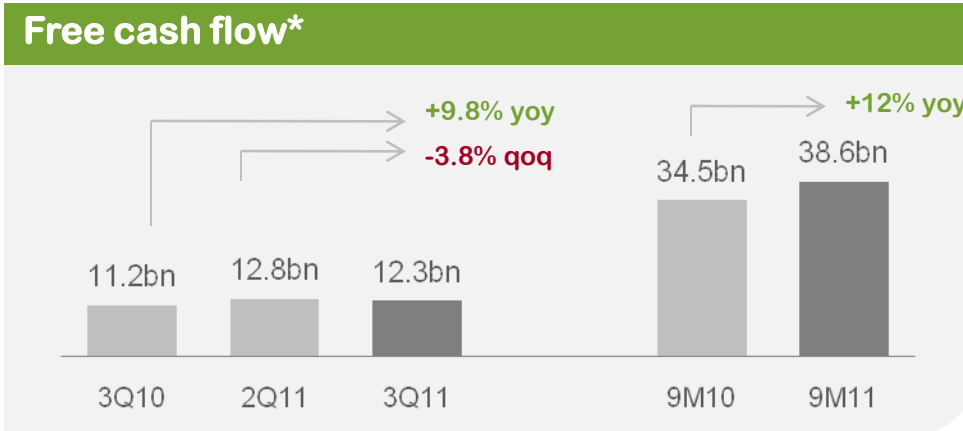
11% (9M10) and 14.1% (9M11)



\*\*Non-messaging services = Total non-voice - (SMS+ Ringback tone)

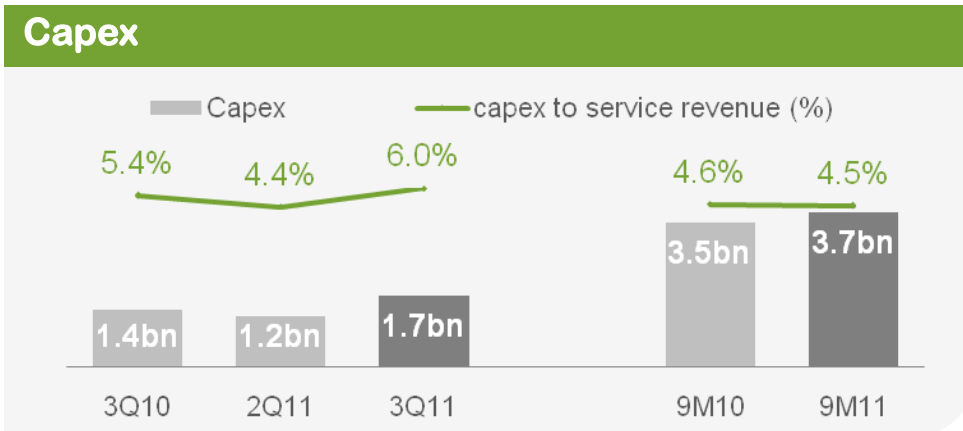


# AIS generated healthy FCF of Bt39bn



## 3Q11

- YoY, FCF posted a 10% YoY improvement, resulting from strong operational results.
- QoQ, FCF decreased due to higher capex while EBITDA posted flat growth.



## 9M11

- FCF grew due to a significant increase in EBITDA whereas capex remained low.
- For capex, we mainly spent on improving data capacity and speed to better serve our customer's need.

\*restated since 1Q10 according to TFRS adoption

# FY2011 Guidance (maintained)

## Service revenue ex.IC

▲ High single-digit

- strong voice revenue due to improve economy.
- built-up non-voice from rising demand for mobile internet

## Non-voice revenue

▲ 25% – 30% YoY

- rising smart device adoption
- upgraded network capacity
- customized applications & better customer experinece

## Sales revenue

▲ 50% YoY

- strong demand and more affordable smart devices

## Marketing expenses

2.5% - 3%  
to total revenue

- expected ramp-up in 4Q11 from seasonality and rebranding activities

## Net IC receipts

Bt400-500mn

- higher net receipts from HUTCH

## Amortization

▼ 5% YoY

- fully amortization of some assets

## EBITDA margin

45%

- higher cash opex
- dilution effect from handset business

## CAPEX

Bt10bn  
incl. Bt2.5bn for 3G-900MHz

- nationwide EDGE+ upgrade
- data capacity expansion



# Satellite & Media Business



# THCOM 3Q11&9M11 Key Financial Highlights

Financial Highlights (Bt million)	3Q11	2Q11	3Q10	%QoQ	%YoY	9M11	9M10	YoY
Sales & Service revenues	1,968	1,862	1,618	▲5.7%	▲21.6%	5,400	5,048	▲7%
Gross Profit	540	446	195	▲21.1%	▲176.9%	1,250	652	▲91.7%
EBITDA	802	700	398	▲14.6%	▲101.5%	2,026	1,463	▲38.5%
EBIT	149	52	(252)	▲186.5%	★	98	(469)	★
Net Profit	16	(25)	(317)	★	★	(176)	(634)	▲72.2%

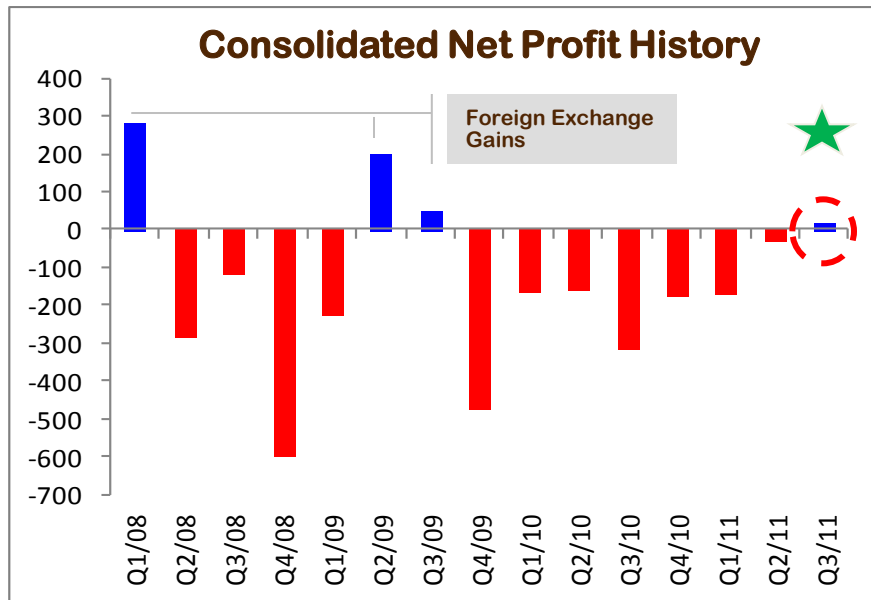
\*Restated under IFRS; mainly related to employee benefits adjustments.

★ Significant Improvement

# THCOM 3Q11 Positive Net Profit

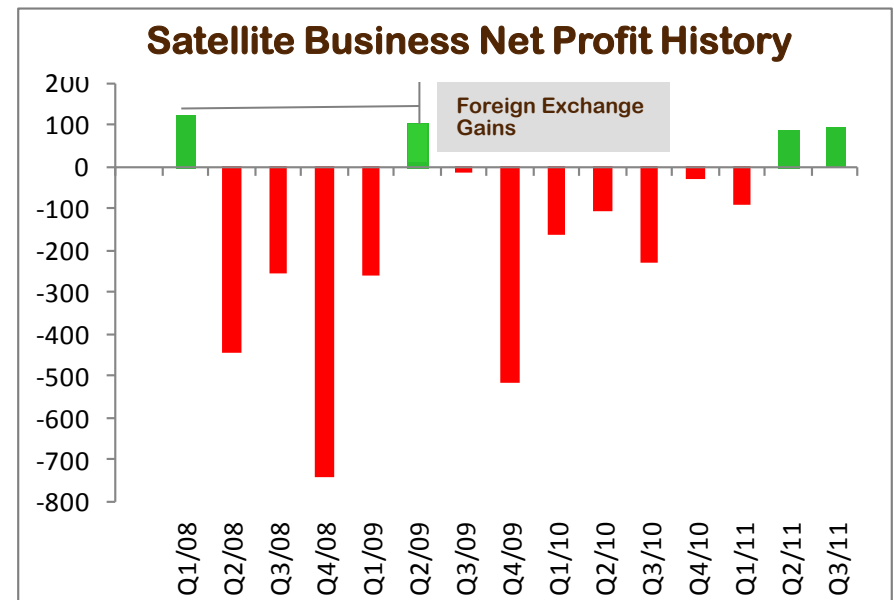
## Normal business operations turn profitable

Bt million



## 2 Consecutive Profitable Quarters

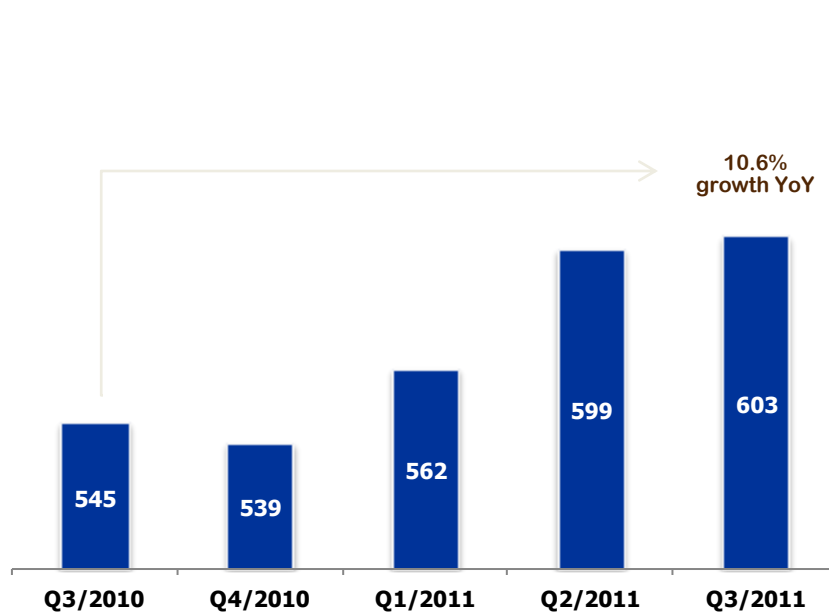
Bt million



# Key Business continually growth

## Conventional Satellite

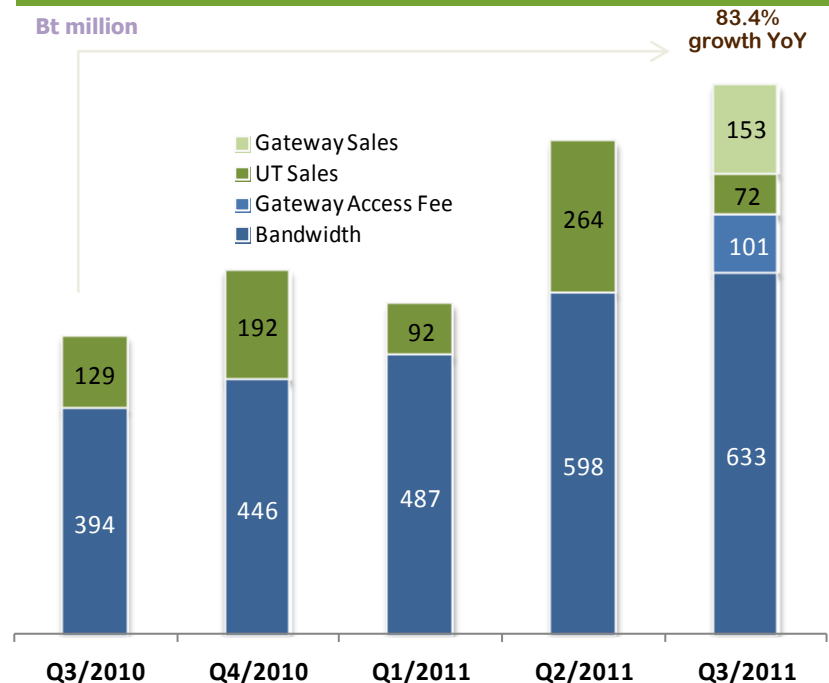
Bt million



**10.6% increase YoY -- driven by higher demand from broadcasting segment**

## IPSTAR

Bt million



**83.4% YoY increase in IPSTAR Total Revenue, Which Included:**

- An 86.3% YoY increase in IPSTAR Services Revenue due to continued growth in bandwidth usage in India, Japan, Malaysia, and Myanmar and receipt of Gateway access fee

**And**

- The sale of GW and equipment in Australia, Japan, and Myanmar

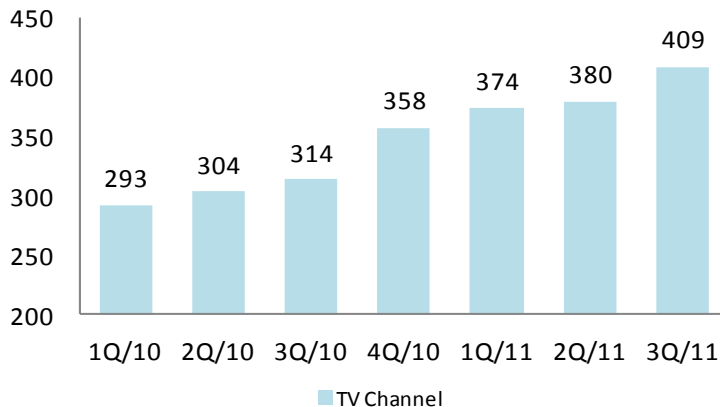
# Conventional Satellite Business Highlights

## Key Highlights

- Steady revenue growth
- Strong commitment, contract backlog is USD233mn
- Hot bird in Thailand and Asia, there are 409 TV channels on TC-5

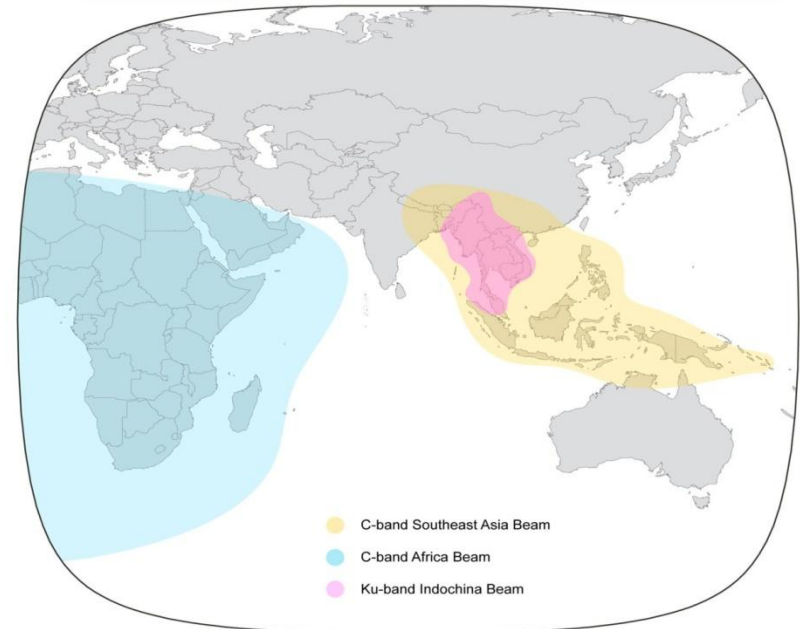
## Moving Forward

- Pre-launch sales of TC-6 services
- Deploy HDTV on TC-5 to stimulate demand for TC-6
- Focus on quality of service and efficiency



## THAICOM 6

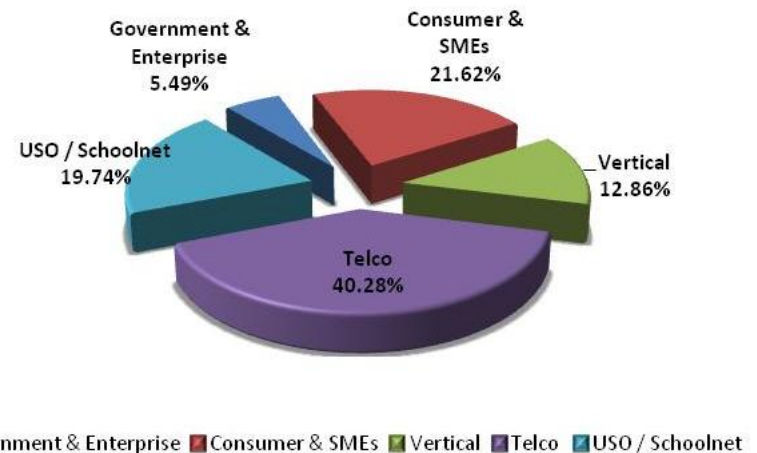
- Manufacturer : Orbital Sciences Corp.
- Launcher : Space X
- Lifetime : 15 years
- Orbital Slot : 78.5°E
- Target Launch : mid 2013



# IPSTAR Highlights

- Total IPSTAR 3Q11 YoY revenue growth 83.4%
- Received revenue and income from GW and equipments sales in Australia, Japan and Myanmar
- Commercial discussion for remaining BW capacity for Japan completed, in the process of finalizing contract with two big Telcos.
- Total IPSTAR contract backlog USD~550mn

## Utilization by segment



# CSL 3Q11&9M11 Key Financial Highlights

Financial Highlights (Bt million)	3Q11	2Q11	3Q10	%QoQ	%YoY	9M11	9M10	YoY
Revenue	718	701	686	▲2%	▲5%	2,117	2,009	▲5%
Gross Profit	326	325	306	▲0%	▲7%	975	908	▲7%
EBITDA	190	196	175	▼3%	▲9%	578	336	▲72%
EBIT	156	159	136	▼2%	▲15%	470	394	▲19%
Normalized Profit	106	108	91	▼2%	▲16%	319	271	▲18%
Net Profit	76	101	72	▼25%	▲6%	282	252	▲12%
Gross Margin	46.11%	46.90%	45.00%	▼79 bps	▲111 bps	46.61%	45.61%	▲100 bps
Normalized Margin	14.76%	15.14%	13.27%	▼38 bps	▲149 bps	15.07%	13.49%	▲158 bps

# INTOUCH



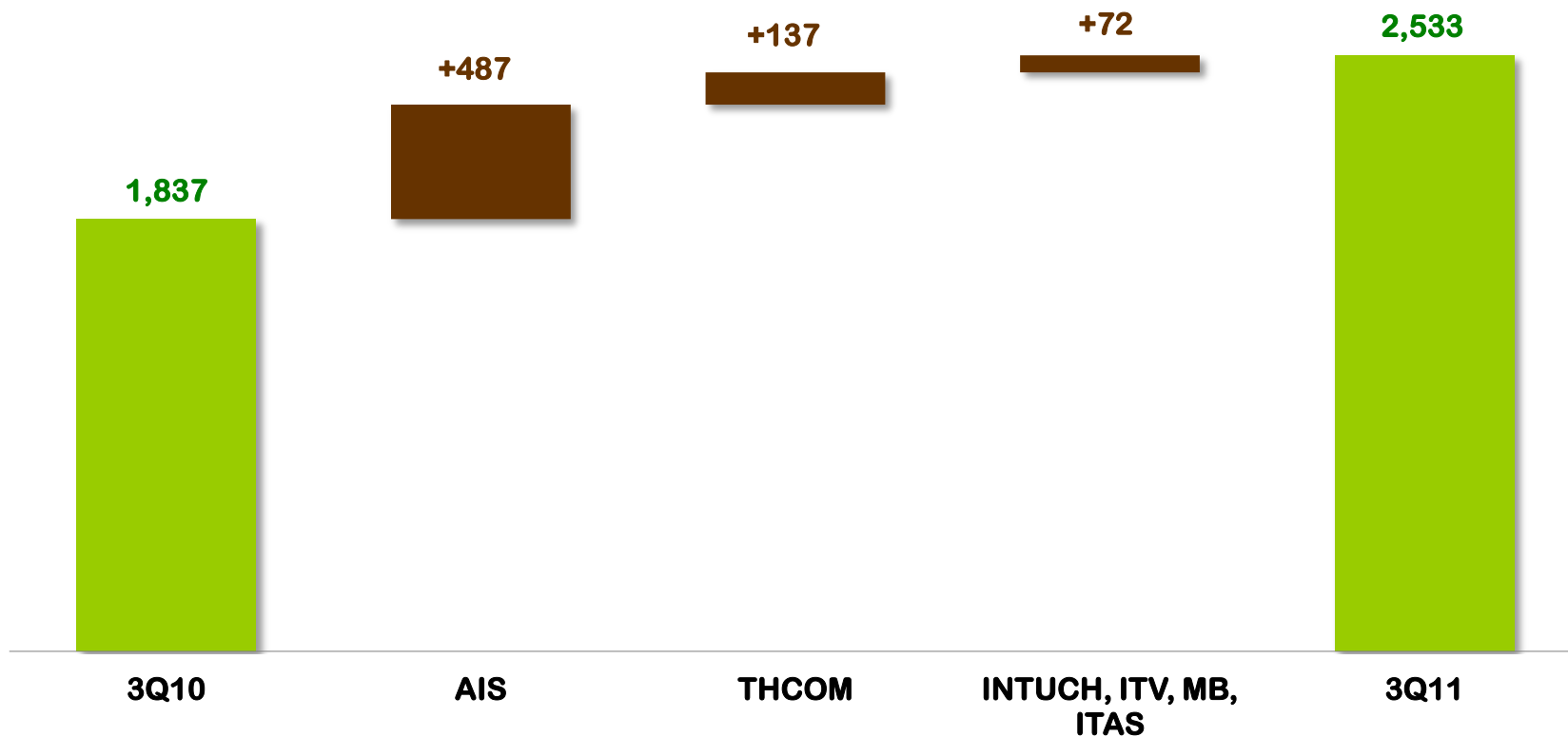
# 3Q11 Key Financial Statement

Financial Highlights (Bt million)	Consolidated			Separate		
	3Q11	3Q10	%YoY	3Q11	3Q10	%YoY
Revenues from sales and services	2,220	1,919	▲ 15.6%	-	-	-
Dividends income	-	-	-	5,270	3,791	▲ 39%
Share of profit of associates	2,672	2,183	▲ 22.4%	-	-	-
Total revenues	4,935	4,131	▲ 19.5%	5,286	3,798	▲ 39.2%
EBIT	2,656	1,732	▲ 53.4%	5,217	3,724	▲ 40.1%
Net Profit	2,495	1,651	▲ 51.1%	5,216	3,724	▲ 40.1%
Profit (loss) attributable to owners of the company	2,533	1,837	▲ 37.9%	5,216	3,724	▲ 40.1%

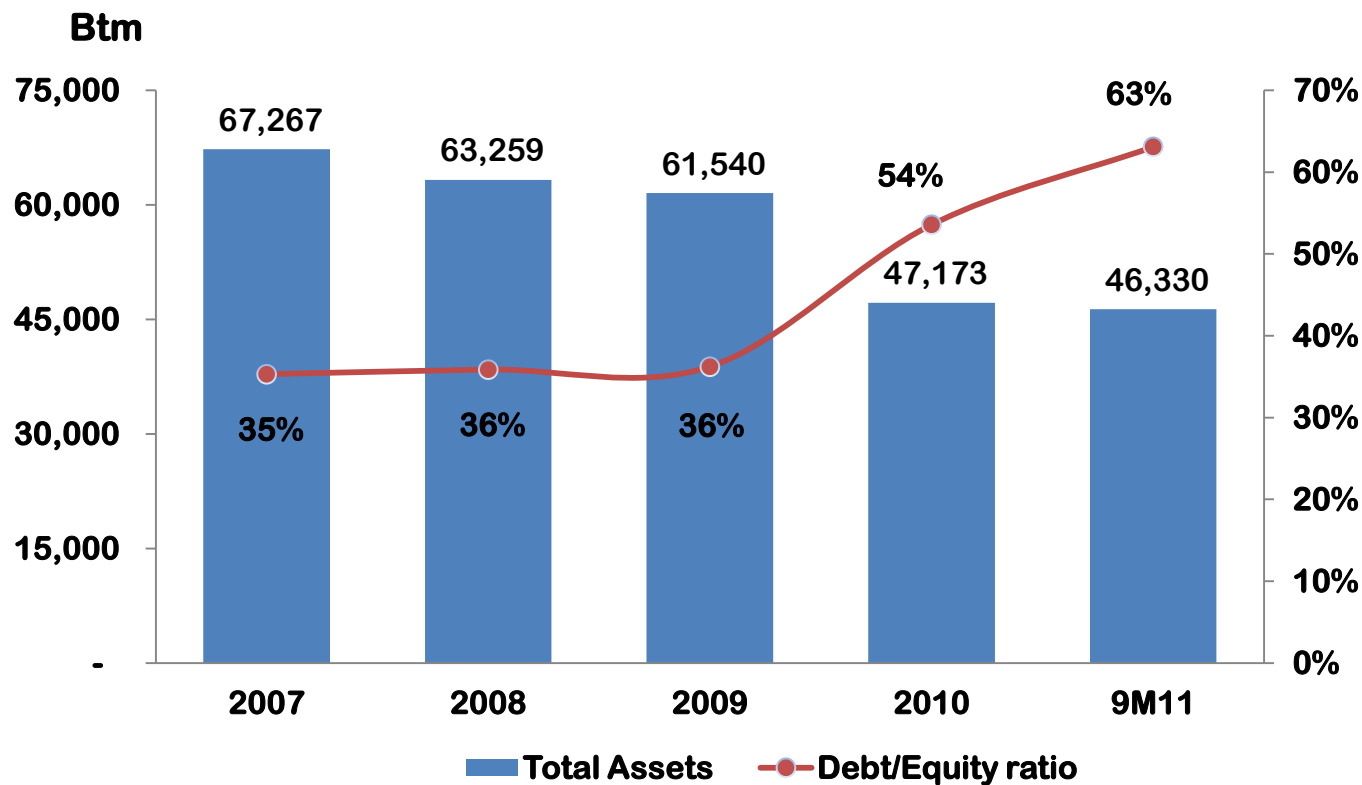
# 9M11 Key Financial Statement

Financial Highlights (Bt million)	Consolidated			Separate		
	9M11	9M10	%YoY	9M11	9M10	%YoY
Revenues from sales and services	6,187	5,887	▲5.1%	-	-	-
Dividends income	-	-	-	10,248	14,326	▼28.5%
Share of profit of associates	8,304	6,490	▲27.9%	-	-	-
Total revenues	14,610	12,503	▲16.9%	10,285	14,345	▼28.3%
EBIT	7,945	5,518	▲44%	10,097	14,150	▼28.6%
Net Profit	7,538	5,241	▲43.8%	10,095	14,148	▼28.6%
Profit (loss) attributable to owners of the company	7,776	5,610	▲38.6%	10,095	14,148	▼28.6%

# INTOUCH Consolidated Net Profit - YoY

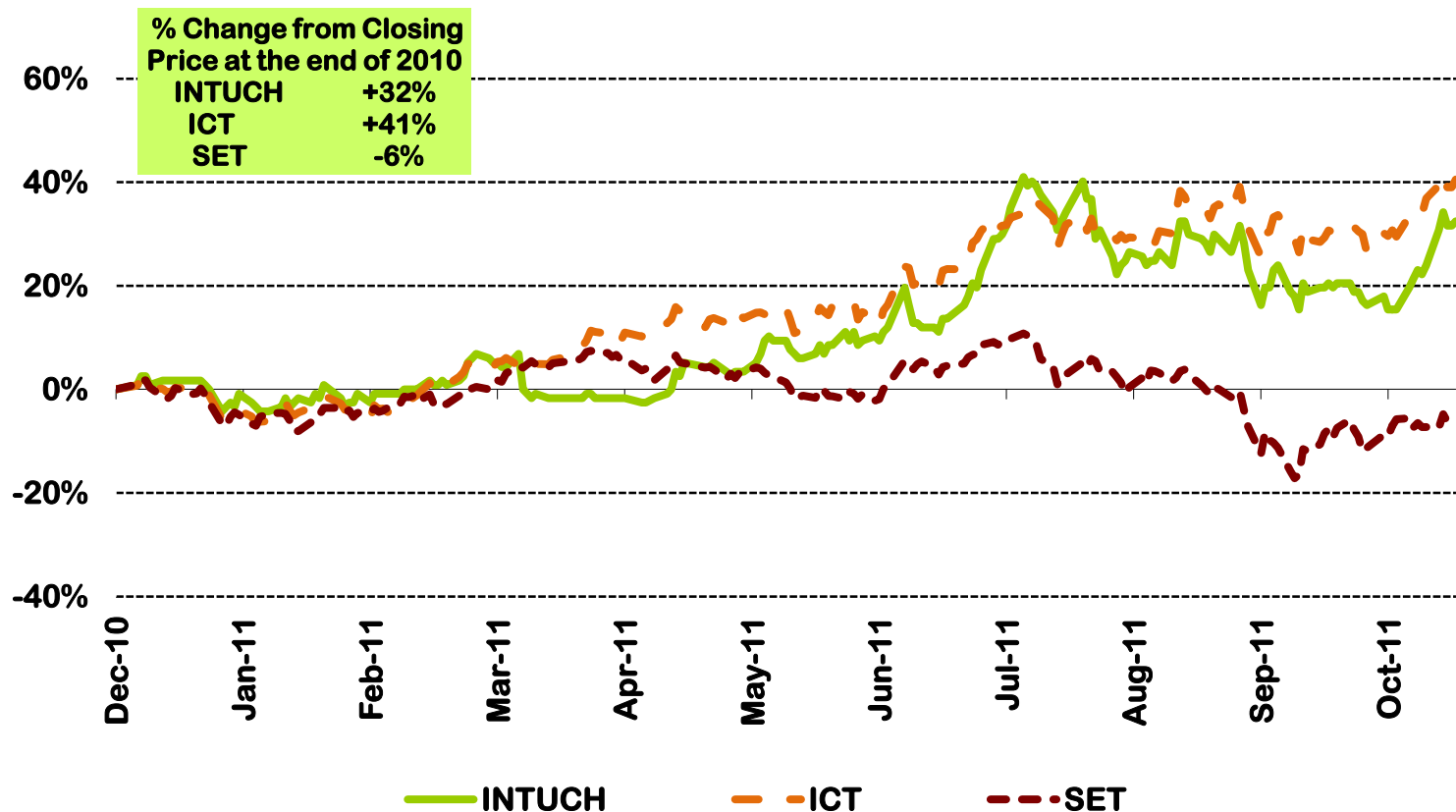


# Consolidated Assets and D/E ratio



- Debt free at INTUCH level
- Cash on hand as at Sep 30, 2011 was Bt5.4bn

# Price Performance & Indices



# INTOUCH Social Responsibility

INTOUCH and its subsidiaries have provided assistance, relief and the donations totaling 35,592,100 baht for flood victims at Chi Nat Province (Dakkanon Temple, Tammamoon Sub-district, Muang District), Channel 3, and the Government



# Disclaimer

“Some statements made in this presentation are forward-looking statements with the relevant assumptions, which are subject to various risks and uncertainties. These include statements with respect to our corporate plans, strategies and beliefs and other statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “anticipate”, “intend”, “estimate”, “continue” “plan” or other similar words.

The statements are based on our management’s assumptions and beliefs in light of the information currently available to us. These assumptions involve risks and uncertainties which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Please note that the company and executives/staff do not control and cannot guarantee the relevance, timeliness, or accuracy of these statements.”