

MCOT Public Company Limited

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Ref: MCOT/ 6153/653
February 26, 2013

The Stock Exchange of Thailand
Attn: The President

Re: The Management's Discussion and Analysis on the Company's Operating Results based on the Financial Statements for 2012

Dear Sir,

On February 26, 2013, the Board of Directors' Meeting No. 2/2013 has resolved to approve the balance sheets and statements of income for the period ended December 31, 2012. The details of Management's Discussion and Analysis (MD&A) on the Company's operating results based on the Financial Statements for 2012 (January 1, - December 31, 2012) are as follows:

The Company's Operating Results for the year ended December 31, 2012 compared to 2011.

According to the Company's operating results for the year 2012, the Company's net profit of Baht 1,769 million or a 28% increase from last year includes a net profit of 1,759 million baht of the parent company's shareholders and a net profit of Baht 10 million of minority interest.

The Overview of the Company's and its Subsidiaries' Operating Results

Unit: Million Baht
(Audited)

	2011	2010	% Change
Total Revenues	5,939	5,313	12
TV Revenue	3,860	3,396	14
Radio Revenue	942	855	10
JV	880	871	1
Additional income from the agreement of understanding	47	21	124
Other Revenues	210	170	24
Expenses	3,619	3,257	11
Net Profit	1,769	1,376	28
Minority	10	20	-50
Parent	1,759	1,356	30
EPS (Baht)	2.56	1.97	30

A 12% increase in the Company's total revenue in 2012 compared to last year was derived from revenue growth across all products, particularly that from television and interest income which was attributable to the Company's ability to improve its cash management, the details of which are as follows:

Television The Company's 51% increase in its television revenue in Q4-2012 and 14% over the year compared to the same period of 2011 was attributable to the growth of advertising revenue from the in-house production programs of Modernine TV (excluded News and Cartoon Programs), which grew 55%. Besides, a 27% increase in revenue from news programs contributed to Modernine TV's ability to maintain its third position in terms of market share of TV advertising industry which achieved a 31% growth resulted from the continuous rise of advertising spending on TV. This was partly due to an increase in live telecasts and marketing campaign of many major sporting events in 2012 such as the Olympics 2012, the UEFA Champions League, the 2012 FIFA Futsal World Cup as well as revenue from public relations projects to promote corporate image of government and private agencies. It was also found that the improvement of pricing strategy and sales package management

to better and continuously meet the needs of customers and market as well as the efficiency in managing airtime utilization were key drivers of its revenue growth. This can be seen from higher average of utilization rate of both prime-time and non-prime time slots than that of 2011. In addition, revenue from other sources such as on-screen activities expanded from existing program promotional marketing and special events such as 9 Entertain Surprise Trip, Miss Thailand 2012, contributed to such positive effects. The performance of new media business with a 115% growth from 2011 also resulted in an increase in television revenue from 2011. These sources of revenue were satellite transponder rental and advertising revenue from satellite TV channels delivered through MCOT Network of 15 channels in C-Band satellite TV system (MCOT produced and operated 2 channels: MCOT 1 and MCOT World and was hired to operate Bangkok City Channel). 5 channels can be viewed through True Visions and other 13 channels can be viewed through GMM Grammy's KU-Band satellite TV system.

Radio The Company's radio revenue increased 27% in Q4-2012 and 10% over the year compared to the same period of 2011. The growth was due to additional revenues from co-organizing more special events with sponsors other than that from selling advertising time of central radio stations which achieved a 13 % growth. Of all central radio stations, FM 107 MHz and FM 100.5 MHz exhibited exceptional performance, achieving a more-than-40% growth. Besides, it was due to the improved marketing strategies of its regional radio stations that have enabled their revenue to continuously grow despite increasingly intense competition arising from cable TV and new media operators. In addition, both central and regional radio stations were able to retain their market share and customer base. The Company's FM 95 MHz, Luk Thung Mana Nakorn, FM 97.5 MHz (Seed FM), FM 99 MHz (Active Radio) and FM 107 MHz (MET 107) were able to maintain its high popularity and number one ranking in their segments.

Total expenses Total expenses in 2012 rose 11% from 2011 due to higher operating expenses of television and radio businesses which accounted for 64 % of its total expenses or a 12% increase from last year. The increase was mainly derived from producing more live programs including those related to news production (VDO Wall and Bird-Eyes News) and live broadcast of the Olympics 2012 in the UK (London Games). Besides, sales expense which increased proportionally to earned revenue and expenses incurred from organizing special projects and events such as Miss Thailand Pageant and rental fees for the use of Ku-Band satellite TV to generate more revenue resulted in increased total expenses. The Ku-Band satellite TV service with full capacity which was available in 2012 also caused an increase in total expenses compared to the same period last year.

Net Profit The Company's net profit of 1,769 million baht in 2012 or a 28% increase compared to the same period last year includes a net profit of Baht 1,759 million of the shareholders of the parent company or Baht 2.56 per share.

Asset, Liabilities and Shareholder's Equity

Unit: Million Baht
(Audited)

	2012	2011	% Change
Asset	11,248	10,651	6
Liabilities	3,209	2,993	7
Shareholder's Equity	8,039	7,658	5

With the total assets of Baht 11,248 million, total liabilities of Baht 3,209 million and total shareholder's equity of Baht 8,039 million, MCOT Plc.'s financial position remains strong.

Sincerely yours,



(Miss Tassanawadee Thongprasert)
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Acting Senior Vice President, Corporate Secretary Office
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Authorized to sign on behalf of the company

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