

**Advanced Info Service Public Company Limited
and its Subsidiaries**

Interim financial statements
For the three-month and six-month periods ended
30 June 2013
and
Independent auditor's report
on review of interim financial information



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Independent auditor's report on review of interim financial information

To the Board of Directors of Advanced Info Service Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Advanced Info Service Public Company Limited and its subsidiaries, and of Advanced Info Service Public Company Limited, respectively, as at 30 June 2013; the consolidated and separate statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2013 and the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 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".

S. Singhasaneh

(Supot Singhasaneh)
Certified Public Accountant
Registration No. 2826

KPMG Phoomchai Audit Ltd.
Bangkok
7 August 2013

Advanced Info Service Public Company Limited and its Subsidiaries
Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 June 2013 (Unaudited)	31 December 2012	30 June 2013 (Unaudited)	31 December 2012
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		21,687,011	19,833,022	9,701,402	10,356,825
Specifically-designated bank deposits	5	3,771,358	3,697,852	-	-
Current investments	6	1,459,168	1,340,248	-	-
Trade accounts receivable	4,7	8,432,374	8,065,059	9,125,087	9,560,308
Other receivables	4	4,298,270	3,661,732	1,072,243	1,293,639
Short-term loans to related parties	4	-	-	28,561,900	19,305,000
Inventories		1,568,464	1,426,532	225,615	271,262
Other current assets		94,295	78,964	-	23,792
Total current assets		41,310,940	38,103,409	48,686,247	40,810,826
Non-current assets					
Investments in subsidiaries	8	-	-	6,993,143	6,993,143
Other long-term investments	6	104,361	107,217	93,161	93,161
Property, plant and equipment	9	19,891,685	11,139,838	1,660,040	1,711,812
Assets under the Agreements for operations	9	25,792,484	29,156,811	25,431,686	28,458,678
Goodwill		34,931	34,931	-	-
Spectrum license	9	14,092,779	14,576,886	-	-
Other intangible assets	9	2,114,838	2,032,637	180,760	201,430
Deferred tax assets		4,720,562	5,314,463	4,091,030	4,831,420
Other non-current assets	4	500,443	501,705	563,112	429,917
Total non-current assets		67,252,083	62,864,488	39,012,932	42,719,561
Total assets		108,563,023	100,967,897	87,699,179	83,530,387

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
Liabilities and equity		2013	2012	2013	2012
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current liabilities					
Trade accounts payable	4,10	7,034,989	7,340,964	3,269,335	4,709,777
Other payables	4	7,128,274	7,444,147	5,421,765	7,137,603
Current portion of long-term borrowings	11	6,970,169	8,461,950	6,964,657	8,457,290
Accrued revenue sharing expenses		9,519,835	4,854,693	7,677,017	3,906,523
Unearned income - mobile phone service		1,454,473	1,699,345	1,353,086	1,925,791
Advanced receipts from customers		2,855,939	2,796,035	-	-
Income tax payable		3,403,751	3,524,843	2,963,272	3,069,439
Other current liabilities		168,154	165,649	88,221	58,428
Total current liabilities		38,535,584	36,287,626	27,737,353	29,264,851
Non-current liabilities					
Long-term borrowings	11	13,205,810	11,887,813	13,192,780	11,875,617
Employee benefit obligations		1,283,682	1,222,767	764,732	809,941
Swap and forward contracts payable	17	207,611	509,536	207,611	509,536
Spectrum license payable		7,312,500	7,312,500	-	-
Other non-current liabilities		230,076	205,804	53,893	55,578
Total non-current liabilities		22,239,679	21,138,420	14,219,016	13,250,672
Total liabilities		60,775,263	57,426,046	41,956,369	42,515,523
Equity					
Share capital					
Authorised share capital		4,997,460	4,997,460	4,997,460	4,997,460
Issued and paid-up share capital		2,973,095	2,973,095	2,973,095	2,973,095
Additional paid-in capital					
Premium on ordinary shares		22,372,276	22,372,276	22,372,276	22,372,276
Retained earnings					
Appropriated					
Legal reserve		500,000	500,000	500,000	500,000
Unappropriated		21,598,062	17,344,196	19,896,441	15,169,493
Other components of equity		161,830	163,591	998	-
Equity attributable to owners of the Company		47,605,263	43,353,158	45,742,810	41,014,864
Non-controlling interests		182,497	188,693	-	-
Total equity		47,787,760	43,541,851	45,742,810	41,014,864
Total liabilities and equity		108,563,023	100,967,897	87,699,179	83,530,387

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statement of income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three month period ended		Three month period ended	
		30 June		30 June	
		2013	2012	2013	2012
<i>(in thousand Baht)</i>					
Revenues					
Revenues from rendering of services and equipment rentals		31,798,365	30,495,724	28,070,940	26,615,722
Revenue from sale of goods		4,209,094	3,970,578	147,418	181,221
Total revenue		36,007,459	34,466,302	28,218,358	26,796,943
Cost					
Cost of rendering of services and equipment rentals		(10,440,924)	(9,785,858)	(9,130,261)	(9,101,150)
Revenue sharing expense		(6,579,520)	(6,729,368)	(6,163,484)	(5,991,447)
Cost of sale of goods		(3,906,677)	(3,659,604)	(147,224)	(181,130)
Total cost		(20,927,121)	(20,174,830)	(15,440,969)	(15,273,727)
Gross profit		15,080,338	14,291,472	12,777,389	11,523,216
Selling and administrative expenses					
Selling expenses		(916,699)	(749,173)	(501,919)	(736,244)
Administrative expenses		(2,432,382)	(2,190,884)	(2,213,690)	(2,215,474)
Total selling and administrative expenses		(3,349,081)	(2,940,057)	(2,715,609)	(2,951,718)
Profit from sales, services and equipment rentals		11,731,257	11,351,415	10,061,780	8,571,498
Investment income	4,8	158,611	216,935	3,619,817	3,832,828
Other operating income		97,306	125,093	131,539	172,354
Net foreign exchange loss		(154,568)	(11,856)	(18,627)	(3,056)
Management benefit expenses	4	(49,238)	(44,132)	(49,197)	(44,088)
Finance costs		(258,424)	(292,371)	(255,039)	(289,772)
Profit before income tax expense		11,524,944	11,345,084	13,490,273	12,239,764
Income tax expense	14	(2,339,402)	(2,603,917)	(2,047,684)	(1,988,286)
Profit for the period		9,185,542	8,741,167	11,442,589	10,251,478
Profit attributable to:					
Owners of the Company		9,194,589	8,713,081	11,442,589	10,251,478
Non-controlling interests		(9,047)	28,086	-	-
Profit for the period		9,185,542	8,741,167	11,442,589	10,251,478
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	15	3.09	2.93	3.85	3.45
Diluted earnings per share <i>(in Baht)</i>		3.09	2.93	3.85	3.45

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three month period ended 30 June		Three month period ended 30 June	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Profit for the period	9,185,542	8,741,167	11,442,589	10,251,478
Other comprehensive income				
Net change in fair value of available-for-sale investments	(2,394)	1,458	-	-
Other comprehensive income for the period, net of income tax	(2,394)	1,458	-	-
Total comprehensive income for the period	9,183,148	8,742,625	11,442,589	10,251,478
Total comprehensive income attributable to:				
Owners of the Company	9,192,230	8,714,518	11,442,589	10,251,478
Non-controlling interests	(9,082)	28,107	-	-
Total comprehensive income for the period	9,183,148	8,742,625	11,442,589	10,251,478

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statements of income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Six month period ended		Six month period ended	
		30 June		30 June	
		2013	2012	2013	2012
<i>(in thousand Baht)</i>					
Revenues					
Revenues from rendering of services and equipment rentals		64,122,806	61,036,930	56,288,030	52,769,766
Revenue from sale of goods		9,361,105	8,606,957	352,964	259,799
Total revenue		73,483,911	69,643,887	56,640,994	53,029,565
Cost					
Cost of rendering of services and equipment rentals		(20,520,199)	(19,692,428)	(17,931,157)	(18,239,771)
Revenue sharing expense		(13,890,066)	(13,476,307)	(12,660,418)	(11,877,823)
Cost of sale of goods		(8,652,779)	(7,921,068)	(352,635)	(259,668)
Total cost		(43,063,044)	(41,089,803)	(30,944,210)	(30,377,262)
Gross profit		30,420,867	28,554,084	25,696,784	22,652,303
Selling and administrative expenses					
Selling expenses		(1,622,970)	(1,256,735)	(1,126,999)	(1,157,134)
Administrative expenses		(4,747,766)	(4,239,378)	(4,544,193)	(4,335,605)
Total selling and administrative expenses		(6,370,736)	(5,496,113)	(5,671,192)	(5,492,739)
Profit from sales, services and equipment rentals		24,050,131	23,057,971	20,025,592	17,159,564
Investment income	4,8	339,882	403,902	3,947,664	4,027,562
Other operating income		182,826	195,763	281,709	294,509
Net foreign exchange gain (loss)		16,669	2,438	73,140	(6,477)
Management benefit expenses	4	(82,625)	(73,282)	(82,500)	(73,152)
Finance costs		(533,236)	(579,837)	(524,596)	(574,551)
Profit before income tax expense		23,973,647	23,006,955	23,721,009	20,827,455
Income tax expense	14	(4,862,587)	(5,304,878)	(4,130,729)	(3,983,587)
Profit for the period		19,111,060	17,702,077	19,590,280	16,843,868
Profit attributable to:					
Owners of the Company		19,117,198	17,639,012	19,590,280	16,843,868
Non-controlling interests		(6,138)	63,065	-	-
Profit for the period		19,111,060	17,702,077	19,590,280	16,843,868
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	15	6.43	5.93	6.59	5.67
Diluted earnings per share <i>(in Baht)</i>		6.43	5.93	6.59	5.67

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statements of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period ended 30 June		Six month period ended 30 June	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Profit for the period	19,111,060	17,702,077	19,590,280	16,843,868
Other comprehensive income				
Net change in fair value of available-for-sale investments	(2,800)	(956)	-	-
Other comprehensive income for the period, net of income tax	(2,800)	(956)	-	-
Total comprehensive income for the period	19,108,260	17,701,121	19,590,280	16,843,868
Total comprehensive income attributable to:				
Owners of the Company	19,114,439	17,638,070	19,590,280	16,843,868
Non-controlling interests	(6,179)	63,051	-	-
Total comprehensive income for the period	19,108,260	17,701,121	19,590,280	16,843,868

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Consolidated financial statements											
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity				Total equity attributable to owners of the Company	Non-controlling interests	Total equity
				Legal reserve	Unappropriated	Reserve for share-based payment	Gain on dilution of investment	Fair value changes in available-for-sale investments	Total other components of equity			
<i>(in thousand Baht)</i>												
Six month period ended 30 June 2012												
Balance at 1 January 2012		2,973,095	22,372,276	500,000	13,245,953	-	161,187	1,156	162,343	39,253,667	209,886	39,463,553
Transactions with owners, recorded directly in equity												
Dividends to owners of the Company		-	-	-	(12,661,590)	-	-	-	-	(12,661,590)	(21,802)	(12,683,392)
Total transactions with owners, recorded directly in equity		-	-	-	(12,661,590)	-	-	-	-	(12,661,590)	(21,802)	(12,683,392)
Comprehensive income for the period												
Profit		-	-	-	17,639,012	-	-	-	-	17,639,012	63,065	17,702,077
Other comprehensive income		-	-	-	-	-	-	(956)	(956)	(956)	-	(956)
Total comprehensive income for the period		-	-	-	17,639,012	-	-	(956)	(956)	17,638,056	63,065	17,701,121
Balance at 30 June 2012		2,973,095	22,372,276	500,000	18,223,375	-	161,187	200	161,387	44,230,133	251,149	44,481,282
Six month period ended 30 June 2013												
Balance at 1 January 2013		2,973,095	22,372,276	500,000	17,344,196	-	161,187	2,404	163,591	43,353,158	188,693	43,541,851
Transactions with owners, recorded directly in equity												
Share-based payment transaction	12	-	-	-	-	998	-	-	998	998	-	998
Dividends to owners of the Company	16	-	-	-	(14,863,332)	-	-	-	-	(14,863,332)	(17)	(14,863,349)
Total transactions with owners, recorded directly in equity		-	-	-	(14,863,332)	998	-	-	998	(14,862,334)	(17)	(14,862,351)
Comprehensive income for the period												
Profit		-	-	-	19,117,198	-	-	-	-	19,117,198	(6,138)	19,111,060
Other comprehensive income		-	-	-	-	-	-	(2,759)	(2,759)	(2,759)	(41)	(2,800)
Total comprehensive income for the period		-	-	-	19,117,198	-	-	(2,759)	(2,759)	19,114,439	(6,179)	19,108,260
Balance at 30 June 2013		2,973,095	22,372,276	500,000	21,598,062	998	161,187	(355)	161,830	47,605,263	182,497	47,787,760

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

Advanced Info Service Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Other components of equity Reserve for share- based payment	Total equity
		Issued and paid-up share capital	Share premium	Retained earnings			
				Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Six month period ended 30 June 2012							
Balance at 1 January 2012		2,973,095	22,372,276	500,000	13,609,599	-	39,454,970
Transactions with owners, recorded directly in equity							
Dividends to owners of the Company		-	-	-	(12,661,590)	-	(12,661,590)
Total transactions with owners, recorded directly in equity		-	-	-	(12,661,590)	-	(12,661,590)
Comprehensive income for the period							
Profit		-	-	-	16,843,868	-	16,843,868
Total comprehensive income for the period		-	-	-	16,843,868	-	16,843,868
Balance at 30 June 2012		2,973,095	22,372,276	500,000	17,791,877	-	43,637,248
Six month period ended 30 June 2013							
Balance at 1 January 2013		2,973,095	22,372,276	500,000	15,169,493	-	41,014,864
Transactions with owners, recorded directly in equity							
Share-based payment transaction	12	-	-	-	-	998	998
Dividends to owners of the Company	16	-	-	-	(14,863,332)	-	(14,863,332)
Total transactions with owners, recorded directly in equity		-	-	-	(14,863,332)	998	(14,862,334)
Comprehensive income for the period							
Profit		-	-	-	19,590,280	-	19,590,280
Total comprehensive income for the period		-	-	-	19,590,280	-	19,590,280
Balance at 30 June 2013		2,973,095	22,372,276	500,000	19,896,441	998	45,742,810

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period ended		Six month period ended	
	30 June		30 June	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	19,111,060	17,702,077	19,590,280	16,843,868
<i>Adjustments for</i>				
Depreciation	1,235,289	1,099,681	317,513	492,049
Amortisation of intangible assets	6,697,680	6,791,093	5,426,552	6,095,106
Investment income	(339,882)	(403,902)	(3,947,664)	(4,027,562)
Finance costs	533,236	579,837	524,596	574,551
Doubtful accounts and bad debts expense	381,397	260,510	337,709	248,643
Share-based payment transaction	998	-	998	-
Allowance for obsolete, decline in value and write-off inventories	37,013	3,610	13,834	1,129
(Gain) loss on disposals and write-off of assets	146,894	(8,801)	141,423	(7,991)
Unrealised (gain) loss on exchange	(26,369)	51,991	(32,584)	48,679
Income tax expense	4,862,587	5,304,878	4,130,729	3,983,587
Cash provided by operation before changes in operating assets and liabilities	<u>32,639,903</u>	<u>31,380,974</u>	<u>26,503,386</u>	<u>24,252,059</u>
<i>Changes in operating assets and liabilities</i>				
Specifically-designated bank deposits	(73,507)	1,013,552	-	-
Trade accounts receivable	(726,270)	(504,208)	119,873	3,120,462
Other receivables	(471,772)	(163,963)	140,785	(946)
Inventories	(179,099)	(68,131)	31,813	(67,735)
Other current assets	(15,332)	57,238	23,792	-
Swap and forward contracts payable	(7,964)	(59,281)	(7,964)	(59,281)
Other non-current assets	1,262	18,406	(133,195)	25,082
Trade accounts payable	(1,397,967)	(314,030)	(490,319)	(92,716)
Other payables	(334,723)	129,746	(1,734,687)	(206,147)
Accrued revenue sharing expenses	4,665,142	4,641,136	3,770,494	3,377,652
Unearned income - mobile phone service	(244,872)	(41,334)	(572,704)	(113,242)
Advanced receipts from customers	59,904	(821,048)	-	-
Other current liabilities	9,473	4,059	36,758	22,477
Other non-current liabilities	37,216	5,999	(59,436)	3,958
Cash generated from operating activities	<u>33,961,394</u>	<u>35,279,115</u>	<u>27,628,596</u>	<u>30,261,623</u>
Income tax paid	(4,554,970)	(6,029,426)	(3,496,505)	(3,887,020)
Net cash from operating activities	<u>29,406,424</u>	<u>29,249,689</u>	<u>24,132,091</u>	<u>26,374,603</u>

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

Advanced Info Service Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period ended 30 June		Six month period ended 30 June	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	321,617	346,383	722,400	274,524
Purchase of property, plant, equipment and computer software	(8,237,796)	(1,866,978)	(260,553)	(228,355)
Sale of property and equipment	5,049	19,145	7,927	12,155
Purchase of assets under the Agreements for operations	(3,732,477)	(1,607,452)	(3,499,422)	(1,413,286)
Net increase of short-term loans to subsidiaries	-	-	(9,256,900)	(790,000)
Net increase in investments	(118,864)	(6,616,860)	-	(3,200,000)
Dividend received from subsidiaries	-	-	3,287,183	3,618,939
Net cash used in investing activities	(11,762,471)	(9,725,762)	(8,999,365)	(1,726,023)
<i>Cash flows from financing activities</i>				
Interest paid	(473,821)	(618,859)	(473,414)	(618,518)
Other finance costs paid	(7,527)	(20,128)	(8,759)	(18,974)
Finance lease payments	(15,176)	(13,079)	(12,053)	(10,160)
Proceeds from long-term borrowings	3,812,480	1,373,250	3,812,480	1,373,250
Repayments of long-term borrowings	(4,242,574)	(243,074)	(4,243,074)	(243,074)
Dividend paid	(14,863,349)	(12,683,392)	(14,863,332)	(12,661,590)
Net cash used in financing activities	(15,789,967)	(12,205,282)	(15,788,152)	(12,179,066)
Net increase (decrease) in cash and cash equivalents	1,853,986	7,318,645	(655,426)	12,469,514
Cash and cash equivalents at 1 January	19,833,022	18,360,810	10,356,825	5,471,762
Effect of exchange rate changes on balances held in foreign currencies	3	3,787	3	3,787
Cash and cash equivalents at 30 June	21,687,011	25,683,242	9,701,402	17,945,063
<i>Supplemental disclosures of cash flow information</i>				
Non-cash transactions				
Outstanding debts arising from investment in property, plant and equipment, assets under the Agreements for operations and spectrum license	12,368,867	1,733,477	1,159,483	1,341,358

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

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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 7 August 2013.

1 General information

Advanced Info Service Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 414 Shinawatra Tower 1, Phaholyothin Road, Phayathai, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in November 1991.

Shin Corporation Public Company Limited is a major shareholder, holding 40.45% (31 December 2012: 40.45%) of the share capital of the Company and is incorporated in Thailand. SingTel Strategic Investments Pte Ltd. is a shareholder holding 23.32% (31 December 2012: 23.32%) of the share capital of the Company and is incorporated in Singapore.

The major principal business operations of the Company and its subsidiaries (“the Group”) are summarised as follows:

- 1) The operation of a 900-MHz CELLULAR TELEPHONE SYSTEM as the operator. The Company has been granted permission from TOT Public Company Limited (“TOT”), under the Agreement for operation dated 27 March 1990, to operate and service of Cellular Mobile Telephone, either analog (NMT) or Digital GSM, 900 MHz frequency nationwide, parallel operation for 25 years since 1 October 1990, being the first commercial operating date of service. The Agreement ends on 30 September 2015. The Company is obliged to comply with various conditions and pay revenue sharing in according with the Agreement.

Under the Agreement, the Company shall be entitled to immediately transfer the ownership right of its tools and equipment or assets for operating the 900-MHz Cellular System to TOT when the installation has been completed and the Company shall pay TOT annual revenue sharing in accordance with the Agreement at the percentage of annual revenues and any benefit from the mobile phone service prior to deducting any expenses and any tax or the minimum annual revenue sharing stipulated in the Agreement. The Agreement does not specify a minimum cumulative amount over the term of the Agreement. The percentages of the service revenues and minimum annual revenue sharing for each year are as follows:

Year	Percentage of revenues	Minimum annual revenue sharing (in million Baht)
1 - 5	15	13 to 147
6 - 10	20	253 to 484
11 - 15	25	677 to 965
16 - 20	30	1,236 to 1,460
21 -25	30	1,460

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- 2) The operation of a DATAKIT VIRTUAL CIRCUIT SWITCH as the operator. Advanced Data network Communications Co., Ltd. (“ADC”), an indirect subsidiary, has been granted permission from TOT Public Company Limited (“TOT”), under the Agreement dated 19 September 1989, for rendering services for DATAKIT VIRTUAL CIRCUIT SWITCH in the area of the Metropolitan Telephone Exchange.

Under the Agreement, ADC shall be entitled to immediately transfer the ownership right of its tools and equipment or assets for operation of DATAKIT System to TOT when the installation has been completed and ADC shall pay TOT annual revenue sharing in accordance with the Agreement at the percentage of annual revenues and any benefit from service of DATAKIT VIRTUAL CIRCUIT SWITCH prior to deducting any expenses and any tax or the minimum annual revenue sharing stipulated in the Agreement.

ADC and TOT have mutually agreed to amend the Agreement and signed the Supplemental Agreement on 25 September 1997 to extend the validity period from 10 years to 25 years (such validity period shall be ended on 24 September 2022) and waive the collection of annual revenue sharing under the agreements effective from 25 September 1997. ADC issued 10.75 million ordinary shares at a par value of Baht 10 (11.23% of total shares) to TOT on 17 March 1998 in consideration of such waiver. As at 30 June 2013, TOT owns 48.12% of ADC’s total shares (*31 December 2012: 48.12%*).

- 3) The operation of a 1800-MHz CELLULAR TELEPHONE SYSTEM as the operator. Digital Phone Company Limited (“DPC”), a subsidiary, has been granted permission from CAT Telecom Public Company Limited (“CAT”), under the Agreement for operation dated 19 November 1996, to operate and service Cellular Mobile Telephone: Digital PCN (PERSONAL COMMUNICATION NETWORK) 1800, frequency between 1747.9 MHz to 1760.5 MHz and 1842.9 MHz to 1855.5 MHz, nationwide. DPC started the operation commencing from 28 May 1997, ending 15 September 2013 and DPC is obliged to comply with various conditions and pay revenue sharing in accordance with the Agreement.

Under the Agreement, DPC shall be entitled to immediately transfer the ownership right of its machineries, all equipment and tools or assets for operation to CAT upon installation completion and DPC shall pay CAT the annual revenue sharing at the percentage of annual revenues and any benefit in according with the accrual basis from the mobile phone service prior to deducting any expenses and any tax and fees which the minimum revenue sharing must accumulate, over the term of the Agreement, not less than Baht 5,400 million as follows:

Year	Percentage of revenues	Minimum annual revenue sharing (in million Baht)
1	25	9
2 - 9	20	60 to 320
10 - 14	25	350 to 650
15 - 16	30	670

As at 30 June 2013, DPC paid the revenue sharing to CAT in a total amount of Baht 13,971 million (*31 December 2012: Baht 13,636 million*).

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- 4) The operation of a 2.1-GHz CELLULAR TELEPHONE SYSTEM as the operator. Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), under the license certificate (“License”) dated 7 December 2012, to operate and service Cellular Mobile Telephone, frequency between 1950 MHz to 1965 MHz and 2140 MHz to 2155 MHz, nationwide in accordance with the license certificate no. NBTC/FREQ/TEL/55/1. AWN started the operation commencing from 7 December 2012, ending 6 December 2027 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

Details of the Company’s subsidiaries as at 30 June 2013 and 31 December 2012 were as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2013	31 December 2012
Advanced Internet Revolution Co., Ltd.	Service Provider of internet	Thailand	99.99	99.99
Advanced Datanetwork Communications Co., Ltd. * (* Indirect subsidiary)	Service provider of online data communication service via telephone land line and optical fiber	Thailand	51.00	51.00
Advanced Contact Center Co., Ltd.	Service provider of call center	Thailand	99.99	99.99
Digital Phone Co., Ltd.	Service provider of digital mobile phone system in 1800 MHz frequency	Thailand	98.55	98.55
Advanced Magic Card Co., Ltd.	Distributor of cash card business	Thailand	99.99	99.99
Advanced Mpay Co., Ltd.	Service provider of electronic payment and cash card	Thailand	99.99	99.99
AIN GlobalComm Co., Ltd.	Service provider of international telephone service/gateway	Thailand	99.99	99.99
Advanced Wireless Network Co., Ltd.	Service provider of cellular telephone network in 2.1-GHz frequency	Thailand	99.99	99.99
Super Broadband Network Co., Ltd.	Network operator and telecom service operator i.e. internet (ISP), international & national internet gateway, International Private Leased Circuit (IPLC), Internet Protocol Virtual Private Network (IP VPN), voice over IP, and IP Television	Thailand	99.99	99.99

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Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2013	31 December 2012
Wireless Device Supply Co., Ltd.	Importer and distributor of handset and accessories	Thailand	99.99	99.99
Mobile Broadband Business Co., Ltd. (* Indirect subsidiary)	On liquidation process	Thailand	99.99	99.99
Advanced Mobile Broadband Co., Ltd. (* Indirect subsidiary)	On liquidation process	Thailand	99.99	99.99
Fax Lite Co., Ltd.	Operate in land and building rental and service, and related facilities	Thailand	99.97	99.97
MIMO Tech Co., Ltd.	Operate IT, content aggregator, and outsourcing service for billing and collection	Thailand	99.99	99.99
Advanced Broadband Network Co., Ltd.	Currently not start the operation	Thailand	99.97	99.97

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/Company's operations and effective for accounting periods beginning on or after 1 January 2013:

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

The adoption of these new and revised TFRS and FAP Announcements has resulted in changes in the Group's/Company's accounting policies. The effects of these changes are disclosed in note 3. Other new and revised TFRS did not have any impact on the accounting policies, financial position or performance of the Group/Company.

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In addition to the above new and revised TFRS, as at 30 June 2013 the FAP had issued a number of new interpretations which are effective for financial statements beginning on or after 1 January 2014 and have not been adopted in the preparation of these interim financial statements. Those new interpretations that are relevant to the Group's/Company's operations are disclosed in note 22.

Except for the changes in accounting policy discussed in note 3, 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 presented in Thai Baht, which is the Group's/Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million 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.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's/Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2012.

3 Changes in accounting policies

(a) Overview

From 1 January 2013, consequent to the adoption of new and revised TFRS as set out in note 2, the Group/Company has changed its accounting policies in the following areas:

- Accounting for the effects of changes in foreign exchange rates
- Presentation of information on operating segments

Details of the new accounting policies adopted by the Group/Company are included in notes 3(b) to 3(c) below.

(b) Accounting for the effects of changes in foreign exchange rates

From 1 January 2013, the Group/Company has adopted TAS 21 Accounting for the effects of changes in foreign exchange rates.

The principal change introduced by TAS 21 is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21 requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21. Foreign currencies are defined by TAS 21 as all currencies other than the entity's functional currency.

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Management has determined that the functional currency of the Company is Thai Baht. The changes have had no material impact on the Group's/Company's reported assets, liabilities or retained earnings from the adoption of TAS 21 from 1 January 2013.

(c) Presentation of information on operating segments

From 1 January 2013, the Group/Company has adopted TFRS 8 Operating Segments. (Previously the Group/Company presented segment information in respect of its business segments in accordance with TAS 14 Segment Reporting).

TFRS 8 introduces the "management approach" to segment reporting. It requires a change in the presentation and disclosure of segment information based on the internal reports regularly reviewed by the Group's/Company's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to those segments.

The new policy has been applied retrospectively and segment information included in the 2012 financial statements, which are included in the Group's/Company's 2013 interim financial statements for comparative purposes, has been re-presented accordingly. The change in basis of presentation and disclosure of segment information has had no significant effect on the segment information reported in the Group's/Company's financial statements. The change in policy only impacts presentational aspects and has no impact on the Group's/Company's reported assets, liabilities, results or earnings per share.

4 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. 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.

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In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

During the period, the Group/Company has entered into a number of transactions with related parties, the terms of which are negotiated in the ordinary course of business and according to normal trade conditions. Purchases of products and services are charged at reasonable prices and those prices are comparable to the market rate with general trading conditions. Consulting and management service fees are charged on a mutually agreed basis as a percentage of assets.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Subsidiaries	Thailand	More than 50% shareholding or being controlled
Shin Corporation Public Company Limited and its related parties (“INTOUCH Group”)	Thailand, Laos and Cambodia	Shin Corporation Public Company Limited (“INTOUCH”) is a major shareholder, 40.45% shareholding and has some joint directors.
SingTel Strategic Investments Pte Ltd. and its related parties (“SingTel Group”)	Singapore	SingTel Strategic Investments Pte Ltd. (“SingTel”) is a major shareholder, 23.32% shareholding.
Other related parties	Thailand	Directors of related parties.

Significant transactions for the three-month and six-month periods ended 30 June 2013 and 2012 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<i>Three-month period ended 30 June</i>				
	<i>(in million Baht)</i>			
Service income				
Subsidiaries	-	-	1,984	547
INTOUCH Group	18	22	7	5
SingTel Group	139	121	134	116
	<u>157</u>	<u>143</u>	<u>2,125</u>	<u>668</u>
Sales of prepaid cards				
Subsidiaries	-	-	-	2,455
Sales of refill on mobile (ROM)				
Subsidiaries	-	-	-	229
Dividend income				
Subsidiaries	-	-	3,287	3,619
Interest income				
Subsidiaries	-	-	272	100

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<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
<i>Other income</i>				
Subsidiaries	-	-	66	54
INTOUCH Group	-	2	-	-
	<u>-</u>	<u>2</u>	<u>66</u>	<u>54</u>
<i>Rental and other service expenses</i>				
Subsidiaries	-	-	5,470	5,921
INTOUCH Group	171	176	18	30
SingTel Group	112	164	93	147
	<u>283</u>	<u>340</u>	<u>5,581</u>	<u>6,098</u>
<i>Returns of prepaid cards</i>				
Subsidiaries	-	-	69	-
<i>Advertising expense</i>				
INTOUCH Group	<u>329</u>	<u>313</u>	<u>156</u>	<u>286</u>
<i>Sale promotion expense</i>				
Subsidiaries	-	-	37	60
<i>Commission expense</i>				
Subsidiary	-	-	1,051	883
<i>Management employee benefit expense</i>	<u>49</u>	<u>44</u>	<u>49</u>	<u>44</u>
<i>Purchases of property and other assets</i>				
Subsidiaries	-	-	245	-
<i>Finance costs</i>				
INTOUCH Group	-	1	-	1
<i>Dividend paid</i>				
INTOUCH Group	6,013	5,123	6,013	5,123
SingTel Group	3,467	2,954	3,467	2,954
	<u>9,480</u>	<u>8,077</u>	<u>9,480</u>	<u>8,077</u>

<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
<i>Service income</i>				
Subsidiaries	-	-	2,784	1,129
INTOUCH Group	36	46	12	10
SingTel Group	266	246	256	235
	<u>302</u>	<u>292</u>	<u>3,052</u>	<u>1,374</u>
<i>Sales of prepaid cards</i>				
Subsidiaries	-	-	138	4,917
<i>Sales of Refill on mobile (ROM)</i>				
Subsidiaries	-	-	28	419
<i>Sales of property and other assets</i>				
Subsidiaries	-	-	-	3

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<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
<i>Dividend income</i>				
Subsidiaries	-	-	3,287	3,619
<i>Interest income</i>				
Subsidiaries	-	-	500	197
<i>Other income</i>				
Subsidiaries	-	-	136	110
INTOUCH Group	1	5	-	-
	1	5	136	110
<i>Rental and other service expenses</i>				
Subsidiaries	-	-	12,014	12,065
INTOUCH Group	341	342	37	56
SingTel Group	215	264	177	233
	556	606	12,228	12,354
<i>Advertising expense</i>				
INTOUCH Group	543	490	346	427
<i>Sale promotion expense</i>				
Subsidiaries	-	-	86	97
<i>Commission expense</i>				
Subsidiary	-	-	2,128	1,771
<i>Management employee benefit expense</i>	83	73	83	73
<i>Purchases of property and other assets</i>				
Subsidiaries	-	-	245	-
<i>Finance costs</i>				
INTOUCH Group	-	2	-	2
<i>Dividend paid</i>				
INTOUCH Group	6,013	5,123	6,013	5,123
SingTel Group	3,467	2,954	3,467	2,954
	9,480	8,077	9,480	8,077

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Balances as at 30 June 2013 and 31 December 2012 with related parties were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30	31	30	31
	June	December	June	December
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Trade accounts receivable				
Subsidiaries	-	-	1,698	2,539
INTOUCH Group	8	16	3	4
SingTel Group	56	56	53	53
Total	64	72	1,754	2,596
Accrued income				
Subsidiaries	-	-	1,009	82
INTOUCH Group	2	2	-	-
SingTel Group	27	15	25	12
Total	29	17	1,034	94
Other receivables				
<i>- Other accounts receivable</i>				
Subsidiaries	-	-	11	11
<i>- Accrued interest income</i>				
Subsidiaries	-	-	92	164
Total	-	-	103	175
Short-term loans to related parties				
Subsidiaries	-	-	28,562	19,305
Long-term rental deposit				
Subsidiary	-	-	146	-

As at 30 June 2013, short-term loans at call to subsidiaries represent promissory notes, bearing interest at the rate of 4.30% per annum (31 December 2012: 4.47% per annum).

Movements during the six-month periods 30 June 2013 and 2012 of loans to related parties of the Company were as follows:

	Separate	
	financial statements	financial statements
	2013	2012
	<i>(in million Baht)</i>	
Short-term loans to related parties		
Subsidiaries		
At 1 January	19,305	8,105
Increase	33,167	10,195
Decrease	(23,910)	(9,405)
At 30 June	28,562	8,895

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	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
<i>Trade accounts payable</i>				
Subsidiaries	-	-	1,499	1,720
INTOUCH Group	52	98	2	14
SingTel Group	4	6	-	-
Total	56	104	1,501	1,734
<i>Other payables</i>				
<i>- Other accounts payable</i>				
Subsidiaries	-	-	738	949
INTOUCH Group	54	61	44	60
SingTel Group	29	12	29	12
	83	73	811	1,021
<i>- Accrued expenses</i>				
Subsidiaries	-	-	1,909	2,266
INTOUCH Group	314	185	99	123
SingTel Group	35	30	24	23
	349	215	2,032	2,412
<i>- Unearned income-Transmission</i>				
Subsidiary	-	-	26	164
Total	432	288	2,869	3,597
<i>Long-term debentures</i>				
Subsidiary	-	-	-	1
INTOUCH Group*	-	11	-	11
Other related parties	1	6	1	6
Total	1	17	1	18

* INTOUCH Group holds this long-term debenture through private funds, managed by an independent fund manager.

Significant agreements with related parties

The Group/Company has entered into agreements with related parties and has commitment for receipts and payments according to a rate under the term and conditions stipulated in the agreements. The significant agreements with related parties are as follows:

- 1) The Group has entered into interconnection and national roaming agreements among its related parties. The suspension or termination of the agreement shall be referred to the regulations and conditions of the National Telecommunications Commission.
- 2) The Group has entered into site share agreements among its related parties to provide site area including related facilities for installation of telecommunication equipment. The contract parties have a right to terminate the agreement by giving advance written notice to the counterparty of not less than 60 days.

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- 3) The Company and its subsidiaries have entered into a call center service agreement with Advanced Contact Center Co., Ltd. (“ACC”), a subsidiary. ACC will provide service and required information including resolving problem requests from the customers. The contract parties have a right to terminate the agreement by giving the counterparty a written notice for 30 days in advance.
- 4) Advanced Contact Center Co., Ltd., a subsidiary, has entered into a call center service agreement with Teleinfo Media Plc. (“TMC”), a related party. TMC will arrange the agents and provide call center operation to execute each of incoming call service. The contract parties have a right to terminate the agreement by giving the counterparty a written notice for 30 days in advance.
- 5) The Company and its related parties have entered into an agreement with Advanced Magic Card Co., Ltd. and Advanced Mpay Co., Ltd, its subsidiaries, to provide payment service for goods/service purchased through electronic payments and cash card. The contract parties have a right to terminate the agreement by giving advance written notice of not less than 30 days.
- 6) Advanced Magic Card Co., Ltd. and Advanced Mpay Co., Ltd, its subsidiaries, have entered into an agreement with Wireless Device Supply Co., Ltd., a subsidiary, to distribute electronic money and cash card. The contract parties have a right to terminate the agreement by giving advance written notice of not less than 15 days.
- 7) The Company and its subsidiaries have entered into an agreement with Wireless Device Supply Co., Ltd., a subsidiary, to provide card packaging. The contract parties have a right to terminate the agreement by giving advance written notice of not less than 30 days.
- 8) The Company and its subsidiaries have entered into an international roaming service agreement with the SingTel Group, related parties. The contract parties have a right to terminate the agreement by giving a written notice of 60 days in advance.
- 9) The Company and its subsidiaries have entered into an agreement with MIMO Tech Co., Ltd., a subsidiary, of providing or aggregating the variety of content as value added services on mobile network or wireless device. The contract parties have a right to terminate the agreement by giving a written notice of 30 days in advance.
- 10) The Company and its subsidiaries have entered into an agreement with its related parties to provide or aggregate the variety of content as value added services on mobile network or wireless device. The contract parties have a right to terminate the agreement by giving advance written notice to the counterparty of not less than 30 days.
- 11) The Company has entered into a satellite transponder lease agreement with Thaicom Public Company Limited, a related party, for a monthly fee according to the rate and condition specified in the agreement. The agreement is valid until 21 June 2015.
- 12) MIMO Tech Co., Ltd., a subsidiary, has entered into agreements with I.T. Applications and Services Company Limited, a related party, to receive computer system maintenance services. The agreement is valid for one year and is renewable on an annual basis. The contract parties have a right to terminate the agreement by giving advance written notice of 3 months.

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5 Specifically-designated bank deposits

In order to comply with the Notification of the Bank of Thailand applicable to the electronic cash card business, the subsidiaries' held deposits at call with banks equal to the subsidiaries' outstanding balance of advance from customers which cannot be used for other purposes apart from payments to service providers as at 30 June 2013 amounting to Baht 3,771 million (*31 December 2012: Baht 3,698 million*).

6 Other investments

	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in million Baht)</i>			
<i>Current investments</i>				
Fixed deposit at financial institutions	202	589	-	-
Available-for-sale securities	1,257	751	-	-
	1,459	1,340	-	-
<i>Other long-term investments</i>				
Fixed deposits at financial institutions - pledged	11	14	-	-
Other non-marketable equity securities	93	93	93	93
	104	107	93	93
Total	1,563	1,447	93	93

Movements during the six-month periods ended 30 June 2013 and 2012 of available-for-sale of marketable equity and debt securities were as follows:

<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
<i>Current investments</i>				
Available-for-sale securities				
At 1 January	751	727	-	-
Purchases during the period	841	559	-	-
Sales during the period	(335)	(548)	-	-
At 30 June	1,257	738	-	-

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7 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2013	31 December 2012	30 June 2013	31 December 2012
		<i>(in million Baht)</i>			
Related parties:	4				
- Trade accounts receivable		64	72	1,754	2,596
- Accrued income		29	17	1,034	94
		<u>93</u>	<u>89</u>	<u>2,788</u>	<u>2,690</u>
Other parties:					
- Trade accounts receivable		4,967	4,816	3,873	3,806
- Accrued income		4,137	3,843	3,160	3,709
		<u>9,104</u>	<u>8,659</u>	<u>7,033</u>	<u>7,515</u>
Total		9,197	8,748	9,821	10,205
<i>Less</i> allowance for doubtful accounts		(765)	(683)	(696)	(645)
Net		8,432	8,065	9,125	9,560

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Bad and doubtful debts expense for the three-month period ended 30 June	<u>189</u>	<u>132</u>	<u>152</u>	<u>125</u>
the six-month period ended 30 June	<u>381</u>	<u>261</u>	<u>338</u>	<u>249</u>

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Aging analyses for trade accounts receivable are as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in million Baht)</i>			
Related parties				
Current - 3 months	91	84	2,784	2,687
Overdue 3 - 6 months	1	3	4	3
Overdue 6 - 12 months	1	1	-	-
Overdue over 12 months	-	1	-	-
	93	89	2,788	2,690
Other parties				
Current - 3 months	7,113	6,833	5,100	5,776
Overdue 3 - 6 months	234	229	214	194
Overdue 6 - 12 months	197	272	188	243
Overdue over 12 months	1,560	1,325	1,531	1,302
	9,104	8,659	7,033	7,515
<i>Less</i> allowance for doubtful accounts	(765)	(683)	(696)	(645)
	8,339	7,976	6,337	6,870
Net	8,432	8,065	9,125	9,560

The normal credit term granted by the Group/Company ranges from 14 days to 30 days.

As at 30 June 2013, the Company had the outstanding balance of accrued income of revenue sharing in international direct dial service (IDD) of Baht 1,428 million (*31 December 2012: Baht 1,293 million*). Part of outstanding that has presented in overdue 12 months of Baht 1,135 million (*31 December 2012: Baht 985 million*), the Company has submitted a dispute to the Arbitration Institute demanding TOT Public Company Limited (“TOT”) to pay this receivable plus interest, the total amount of Baht 1,527 million on 16 January 2013.

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8 Investments in subsidiaries

Investments in subsidiaries at 30 June 2013 and 31 December 2012, and dividend income from those investments for the six-month periods ended 30 June 2013 and 2012 were as follows:

	Separate financial statements										Dividend income for the	
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		six months ended	
	30	31	30	31	30	31	30	31	30	31	30	30
	June	December	June	December	June	December	June	December	June	December	June	June
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	(%)				(in million Baht)							
Subsidiaries												
Advanced Internet Revolution Co., Ltd.	99.99	99.99	240	240	600	600	(335)	(335)	265	265	-	-
Advanced Contact Center Co., Ltd.	99.99	99.99	272	272	811	811	-	-	811	811	27	-
Digital Phone Co., Ltd.	98.55	98.55	3,655	3,655	12,493	12,493	(8,014)	(8,014)	4,479	4,479	-	1,477
Advanced Magic Card Co., Ltd.	99.99	99.99	250	250	250	250	-	-	250	250	-	-
Advanced Mpay Co., Ltd.	99.99	99.99	300	300	336	336	-	-	336	336	300	218
AIN GlobalComm Co., Ltd.	99.99	99.99	100	100	100	100	-	-	100	100	720	610
Advanced Wireless Network Co., Ltd.	99.99	99.99	350	350	350	350	-	-	350	350	-	-
Super Broadband Network Co., Ltd.	99.99	99.99	300	300	300	300	-	-	300	300	990	49
Wireless Device Supply Co., Ltd.	99.99	99.99	50	50	50	50	-	-	50	50	600	400
Fax Lite Co., Ltd.	99.97	99.97	1	1	1	1	-	-	1	1	-	-
MIMO Tech Co., Ltd.	99.99	99.99	50	50	50	50	-	-	50	50	650	865
Advanced Broadband Network Co., Ltd.	99.97	99.97	1	1	1	1	-	-	1	1	-	-
Total					15,342	15,342	(8,349)	(8,349)	6,993	6,993	3,287	3,619

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9 Capital expenditures

Acquisitions, disposals and transfers of capital expenditures during the six-month periods ended 30 June 2013 and 2012 were as follows:

	Consolidated financial statements							
	2013				2012			
	Property, plant and equipment	Assets under the Agreements for operation	Intangible assets	Total <i>(in million Baht)</i>	Property, plant and equipment	Assets under the Agreements for operation	Intangible assets	Total
<i>Cost</i>								
At 1 January	45,494	196,433	27,218	269,145	40,156	192,974	12,123	245,253
Additions	10,015	2,615	444	13,074	1,922	2,459	142	4,523
Transfer and reclassify	(20)	-	20	-	(14)	(334)	15	(333)
Disposal and write-off	(1,436)	(5,703)	(51)	(7,190)	(44)	(13)	-	(57)
At 30 June	54,053	193,345	27,631	275,029	42,020	195,086	12,280	249,386
<i>Depreciation, amortisation and impairment losses</i>								
At 1 January	(34,354)	(167,276)	(10,608)	(212,238)	(32,540)	(156,469)	(9,848)	(198,857)
Depreciation and amortisation	(1,235)	(5,833)	(865)	(7,933)	(1,100)	(6,452)	(339)	(7,891)
Transfer and reclassify	-	-	-	-	-	246	-	246
Disposal and write-off	1,428	5,556	50	7,034	41	4	-	45
At 30 June	(34,161)	(167,553)	(11,423)	(213,137)	(33,599)	(162,671)	(10,187)	(206,457)
<i>Net book value</i>								
At 1 January	11,140	29,157	16,610	56,907	7,616	36,505	2,275	46,396
At 30 June	19,892	25,792	16,208	61,892	8,421	32,415	2,093	42,929

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	Separate financial statements							
	2013				2012			
	Property, plant and equipment	Assets under the Agreements for operation	Intangible assets	Total <i>(in million Baht)</i>	Property, plant and equipment	Assets under the Agreements for operation	Intangible assets	Total
<i>Cost</i>								
At 1 January	28,893	180,650	2,937	212,480	28,768	177,730	2,922	209,420
Additions	277	2,519	3	2,799	230	2,253	7	2,490
Transfer and reclassify	-	-	-	-	(6)	(334)	6	(334)
Disposal and write-off	(1,427)	(4,485)	(49)	(5,961)	(41)	-	-	(41)
At 30 June	<u>27,743</u>	<u>178,684</u>	<u>2,891</u>	<u>209,318</u>	<u>28,951</u>	<u>179,649</u>	<u>2,935</u>	<u>211,535</u>
<i>Depreciation, amortisation and impairment losses</i>								
At 1 January	(27,181)	(152,191)	(2,736)	(182,108)	(26,669)	(142,162)	(2,689)	(171,520)
Depreciation and amortisation	(317)	(5,403)	(23)	(5,743)	(492)	(6,072)	(23)	(6,587)
Transfer and reclassify	-	-	-	-	-	246	-	246
Disposal and write-off	1,415	4,342	49	5,806	37	-	-	37
At 30 June	<u>(26,083)</u>	<u>(153,252)</u>	<u>(2,710)</u>	<u>(182,045)</u>	<u>(27,124)</u>	<u>(147,988)</u>	<u>(2,712)</u>	<u>(177,824)</u>
<i>Net book value</i>								
At 1 January	1,712	28,459	201	30,372	2,099	35,568	233	37,900
At 30 June	1,660	25,432	181	27,273	1,827	31,661	223	33,711

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10 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	30 June 2013	31 December 2012	30 June 2013	31 December 2012
		<i>(in million Baht)</i>			
Related parties	4	56	104	1,501	1,734
Other parties		6,979	7,237	1,768	2,976
Total		<u>7,035</u>	<u>7,341</u>	<u>3,269</u>	<u>4,710</u>

11 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
		30 June 2013	31 December 2012	30 June 2013	31 December 2012
		<i>(in million Baht)</i>			
Current					
Current portion of long-term borrowings, net		444	438	444	438
Current portion of long-term debentures, net		6,499	7,997	6,499	7,997
Current portion of finance lease liabilities		27	27	21	22
		<u>6,970</u>	<u>8,462</u>	<u>6,964</u>	<u>8,457</u>
Non-current					
Long-term borrowings, net		13,139	9,315	13,139	9,315
Long-term debentures, net		-	2,500	-	2,500
Finance lease liabilities		67	73	54	61
		<u>13,206</u>	<u>11,888</u>	<u>13,193</u>	<u>11,876</u>
Total		<u>20,176</u>	<u>20,350</u>	<u>20,157</u>	<u>20,333</u>

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

As at 30 June 2013, the Group and the Company had undrawn committed loans of Baht 4,000 million (31 December 2012: USD 125 million and JPY 10,440 million).

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The carrying amounts and fair values of long-term debentures (gross of issue costs) as at 30 June 2013 and 31 December 2012 are as follows:

	Consolidated and separate financial statements			
	Carrying amount		Fair values*	
	30	31	30	31
	June	December	June	December
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Long-term debentures	<u>6,500</u>	<u>10,500</u>	<u>6,565</u>	<u>10,672</u>

* Fair values for traded debentures have been determined based on quoted selling prices from The Thai Bond Market Association at the close of the business on the reporting date.

Movement during the six-month periods ended 30 June 2013 and 2012 of borrowings were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
At 1 January	20,350	22,006	20,333	21,989
Additions	3,825	1,383	3,820	1,382
Borrowing cost	(19)	(13)	(19)	(13)
Repayments	(4,258)	(256)	(4,255)	(253)
Terminate cost	(4)	(3)	(4)	-
Unrealised loss on foreign exchange	273	108	273	108
Amortisation	9	6	9	6
At 30 June	<u>20,176</u>	<u>23,231</u>	<u>20,157</u>	<u>23,219</u>

12 Share-based payment

The performance share plan

In March 2013, the Annual General Meeting of shareholders No.1/2013 approved to issue warrants to purchase the ordinary shares of the Company. The warrants are offered to employees of the Company and its subsidiaries, including the board of directors of the Company, who are qualified to the Performance share plan ("Project"). The major information are listed below:

Approved date:	28 March 2013
Number of warrants offered:	405,800 Units
Exercise price:	206.672 Baht/share
Number of reserved shares:	405,800 Shares
Term of the Project:	5 years from the date of initial offer the warrants
Offered price per unit:	Baht 0 (zero Baht)
Exercise ratio:	1 unit of warrant per 1 ordinary share

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Fair value measurement

The Group measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date using Monte Carlo Simulation technique. The major assumptions are as below:

Weighted average fair value at the grant date	183.499 Baht/share
Share price at the grant date	262.000 Baht/share
Exercise price	206.672 Baht/share
Expected volatility	23.51%
Expected dividend	4.16%
Risk-free interest rate	3.07%

For the three-month and six-month periods ending 30 June 2013, the Group recognised share-based payment expense at Baht 1 million on the consolidated and separate financial statements.

Accounting Policy

The Group measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date.

The expense of the Project is charged to the profit or loss from operation in corresponding to the increase in “Reserve for share-based payment” in shareholders’ equity over the periods in which the service conditions are fulfilled.

13 Segment information

The Group comprises the following operating segments:

<i>Segment 1</i>	Mobile phone and call center services
<i>Segment 2</i>	Mobile phone sales
<i>Segment 3</i>	Datanet and broadband services

Information about reportable segments:

	Mobile phone and call center services		Mobile phone sales <i>(in million Baht)</i>		Datanet and broadband services		Total reportable segments	
	2013	2012	2013	2012	2013	2012	2013	2012
<i>Three-month period ended 30 June</i>								
External revenue	<u>31,577</u>	<u>30,326</u>	<u>4,242</u>	<u>3,988</u>	<u>188</u>	<u>152</u>	<u>36,007</u>	<u>34,466</u>
Segment profit before income tax	<u>11,352</u>	<u>11,143</u>	<u>134</u>	<u>216</u>	<u>39</u>	<u>(14)</u>	<u>11,525</u>	<u>11,345</u>

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	Mobile phone and call center services		Mobile phone sales <i>(in million Baht)</i>		Datanet and broadband services		Total reportable segments	
	2013	2012	2013	2012	2013	2012	2013	2012
<i>Six-month period ended 30 June</i>								
External revenue	<u>63,690</u>	<u>60,705</u>	<u>9,420</u>	<u>8,637</u>	<u>374</u>	<u>301</u>	<u>73,484</u>	<u>69,643</u>
Segment profit before income tax	<u>23,533</u>	<u>22,561</u>	<u>376</u>	<u>450</u>	<u>65</u>	<u>(4)</u>	<u>23,974</u>	<u>23,007</u>
	Mobile phone and call center services		Mobile phone sales		Datanet and broadband services		Total reportable segments	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Segment assets	<u>102,002</u>	<u>94,801</u>	<u>4,266</u>	<u>4,999</u>	<u>2,260</u>	<u>1,133</u>	<u>108,528</u>	<u>100,933</u>

Reconciliation of reportable segment assets

	30 June 2013	31 December 2012
Assets		
Total assets for reportable segments	108,528	100,933
Goodwill	35	35
Consolidated total assets	<u>108,563</u>	<u>100,968</u>

As disclosed in Note 3(c), following the adoption of TFRS 8 - Operating Segments from 1 January 2013, the Group/Company has changed its policy for reporting information on operating segments.

14 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Group's and the Company's consolidated effective tax rate in respect of continuing operations for the three-months and six-months ended 30 June 2013 was 20.30% / 15.18% and 20.28% / 17.41%, respectively, (30 June 2012: 22.95% / 16.24% and 23.06% / 19.13%, respectively). This change in effective tax rate was caused mainly by the following factors:

- Reduction in the corporate income tax rate from 23% for 2012 to 20% for 2013 pursuant to the Cabinet announcement on 11 October 2011.
- Losses suffered by certain subsidiaries cannot be set-off against the profits of other subsidiaries for tax purposes.

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15 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June 2013 and 2012 were based on the profit for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods as follows:

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 30 June</i>	2013	2012	2013	2012
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	9,195	8,713	11,443	10,251
Weighted average number of ordinary shares outstanding (basic)	2,973	2,973	2,973	2,973
Earnings per share (basic) (in Baht)	3.09	2.93	3.85	3.45
<i>Six-month period ended 30 June</i>	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	19,117	17,639	19,590	16,844
Weighted average number of ordinary shares outstanding (basic)	2,973	2,973	2,973	2,973
Earnings per share (basic) (in Baht)	6.43	5.93	6.59	5.67

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Diluted earnings per share

The calculation of diluted earnings per share for the three-month and six-month periods ended 30 June 2013 and 2012 were based on the profit for the periods attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the periods after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<i>Three-month period ended 30 June</i>	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	9,195	8,713	11,443	10,251
Profit attributable to equity holders of the Company (diluted)	9,195	8,713	11,443	10,251
Weighted average number of ordinary shares outstanding (basic)	2,973	2,973	2,973	2,973
Effect of share-based payment	-	-	-	-
Weighted average number of ordinary shares outstanding (diluted)	2,973	2,973	2,973	2,973
Earnings per share (diluted) (in Baht)	3.09	2.93	3.85	3.45
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<i>Six-month period ended 30 June</i>	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	19,117	17,639	19,590	16,844
Profit attributable to equity holders of the Company (diluted)	19,117	17,639	19,590	16,844
Weighted average number of ordinary shares outstanding (basic)	2,973	2,973	2,973	2,973
Effect of share-based payment	-	-	-	-
Weighted average number of ordinary shares outstanding (diluted)	2,973	2,973	2,973	2,973
Earnings per share (diluted) (in Baht)	6.43	5.93	6.59	5.67

16 Dividends

At the annual general meeting of the shareholders of the Company held on 27 March 2013, the shareholders approved the appropriation of dividend of Baht 5 per share, amounting to Baht 14,863 million. The dividend was paid to shareholders on 23 April 2013.

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17 Financial instruments

As at 30 June 2013 and 31 December 2012, net swap and forward receivables (payables), are as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in million Baht)</i>			
Swap contracts:				
Swap contracts receivable	12,849	8,993	12,849	8,993
Swap contracts payable**	(12,997)	(9,434)	(12,997)	(9,434)
Total swap contracts payable	(148)	(441)	(148)	(441)
Forward contracts:				
Forward contracts receivable	786	800	786	800
Forward contracts payable**	(894)	(924)	(894)	(924)
Total forward contracts payable	(108)	(124)	(108)	(124)
Total swap and forward contracts:				
Swap and forward contracts receivable	13,635	9,793	13,635	9,793
Swap and forward contracts payable**	(13,891)	(10,358)	(13,891)	(10,358)
Total swap and forward contracts payable	(256)	(565)	(256)	(565)
Current liabilities				
Other current liabilities	(48)	(56)	(48)	(56)
Non-current assets (liabilities)				
Swap and forward contracts receivable	-	35	-	35
Swap and forward contracts payable	(208)	(544)	(208)	(544)
Total non-current assets (liabilities)	(208)	(509)	(208)	(509)
Total	(256)	(565)	(256)	(565)

The nominal amounts and fair values of swap and forward contracts as at 30 June 2013 and 31 December 2012 are as follows:

	Consolidated and separate financial statements			
	Nominal amounts**		Fair values*	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in million Baht)</i>			
Swap contracts	12,997	9,434	12,672	8,979
Forward contracts	894	924	811	838
Total	13,891	10,358	13,483	9,817

*The fair value of swap and forward contracts is the adjusted value of the original contracts which the Company entered with the commercial banks with the market price on the reporting date in order to reflect the current value of the contracts.

**The nominal amount of swap and forward contracts is the value of the original contracts which the Company entered with the commercial banks and must be repaid at the maturity date.

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18 Commitments with non-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2013	2012	2013	2012
	<i>(in million)</i>			
Capital commitments				
<i>Contracted but not provided for</i>				
Assets under the Agreement for Operation				
Thai Baht	855	1,120	855	1,061
US Dollars	26	159	26	118
Japanese Yen	40	50	40	50
Euro	-	1	-	1
Property and equipment				
Thai Baht	5,586	7,119	92	90
US Dollars	377	170	-	-
Japanese Yen	566	754	-	-
Euro	2	4	-	-
Service maintenance agreements				
Thai Baht	1,389	815	539	562
US Dollars	21	19	10	12
Japanese Yen	33	33	33	33
	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Non-cancellable operating lease commitments				
Within one year	1,262	1,278	479	597
After one year but within five years	1,352	1,324	422	474
After five years	9	14	9	14
Total	2,623	2,616	910	1,085
Other commitments				
Forward and swap contracts	13,891	11,586	13,891	11,586
Bank guarantees:				
- The Agreements for operation	2,130	4,260	1,460	2,920
- Spectrum license payable	7,824	7,824	-	-
- Others	751	604	376	266
Total	24,596	24,274	15,727	14,772

The Group has entered into lease and related service agreements for office space, cars, computers and base station for periods ranging from 1 year to 15 years with options to renew.

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19 Contingent liabilities

Contingent liabilities arising from withholding tax

Pursuant to the letter dated 18 January 2013, the Revenue Department has challenged the Company and Digital Phone Company Limited (“DPC”), a subsidiary, to pay surcharge of Baht 128 million and Baht 6 million, respectively, regarding the withholding tax on revenue sharing payment after excise tax deduction by giving the opinion that the excise tax is a part of revenue sharing. Therefore, the Company and DPC will be liable to pay the shortage of withholding tax amount of excise Tax which came from the revenue sharing payment without excise tax deduction. The Company and DPC have submitted the appeal to the Commission of Appeal. At present, the said cases are pending on the consideration process of the Commission of Appeal.

20 Significant events, commercial disputes and litigation

The Company

1) The opinion of the Council of State relating to the amendments or supplements to the Agreement for Operation

Pursuant to the letter of the Ministry of Information and Communication Technology to the Council of State requesting opinion on whether the amendments or supplements to the agreement between TOT Public Company Limited who is the Telephone Organization of Thailand at that time (“TOT”) and Advanced Info Service Public Company Limited after the enforcement of the Act on Private Participation in State Undertaking, B.E. 2535 are legitimately effected and in case those amendments or supplements to the Agreement are not legitimately effected according to such Act, what guidelines TOT should implement.

The Council of State was of the opinion by its Memorandum of the Council of State no. 291/2550 on Enforcement of the Act on Private Participation in State Undertaking, B.E. 2535 (in the case of the Agreement Permitting Undertaking of Cellular Mobile Telephone Services, “the Agreement” between TOT Public Company Limited and Advanced Info Service Public Company Limited) that

*“... since TOT being the contracting party in this case acted on behalf of the State by virtue of the authority and duty pursuant to Telephone Organization of Thailand Act, the executed Agreement thus represents the agreement between the State and the private sector in order to authorise the private sector to provide public services to the public on behalf of the State. The State therefore is obligated to perform according to those stipulated in that Agreement.

However, since the amendments to the Agreement upon which the consultation is being sought were not legitimately carried out according to the Act on Private Participation in State Undertaking, B.E. 2535 which was in force at the time of effecting those amendments because those amendments had not been proposed for the consideration of the Coordination committee according to Section 22 and not forwarded to the Cabinet, being the organ charged with the authority to approve of the amendments to the Agreement pursuant to the Act as aforesaid, the amendments made to the Agreement with TOT as the contracting party were therefore carried out without legal authority.

However, the procedures to amend the Agreement represent administrative juristic acts which are capable of being separated from the amendments to the Agreement already effected and those amendments to the Agreement are still in force so long as they are not rescinded or extinguished by statute of limitation or by other causes. In case the Cabinet, vested with the authority under the law and having considered the causes for the rescission, the impact, and the propriety on the basis of the State’s and the public interest, is of the opinion that the illegitimate procedures have resulted in damage that warrants rescinding the amendments to the Agreement already effected, the Cabinet

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may legitimately rescind such amendments to the Agreement. However, if the Cabinet, upon having considered the same, deems it justified, with regard to the State's or the public interest and the continuity of providing public services, the Cabinet may exercise its discretion to grant approval for the procedures to further amend the Agreement, as appropriate, with the unit owning the project and the Coordination committee pursuant to Section 22 being the parties to submit the facts, justifications, and opinion for the consideration of the Cabinet."

*The above clauses in "...” represent some parts of the Memorandum of the Council of State no. 291/2550. The full text Memorandum of the Council of State is available only in Thai language.

In addition, the Coordinating Committee according to Clause 22 has already submitted the opinion regarding the amendments of the Agreement of the Company to the Minister of the Information and Communications Technology.

2) *The deduction of excise tax from the revenue sharing between the Company and TOT Public Company Limited ("TOT")*

On 22 January 2008, TOT Public Company Limited ("TOT") submitted a dispute no. black 9/2551 to the Arbitration Institute, Dispute Reconciliation Office, Justice Court Office demanding the Company to pay additional payment of revenue sharing under the Cellular Mobile Phone Contract in the amount of Baht 31,463 million under the Cellular Mobile Phone Contract plus interest at the rate of 1.25 percent per month computing from the default date on 10 January 2007 until the full payment is made.

This amount is the same as an excise tax that the Company had delivered to Excise Department during 28 January 2003 to 26 February 2007 and deducted it from revenue sharing according to the resolution of the Cabinet dated 11 February 2003. Thus, the Company has fully complied with the Cabinet's resolution dated 11 February 2003 and this practice is the same as other operators in mobile phone or cellular radio telecommunication industries according to the resolution of the Cabinet. Moreover, TOT had sent letter no. Tor Sor Tor. Bor Yor./843 dated 10 March 2003 stating that the Company has fully complied with the Cabinet's resolution and the Company's burden remains at the same percentage rate as specified in the contract and the submission of the said excise tax return shall not affect the terms of the contract.

On 20 May 2011, the Arbitral Tribunal has dismissed the case by giving the reason which can be summarised that the Company was not in breach of the Agreement since the Company has completely made the payment of the revenue sharing and all debt was therefore paid in full. Therefore, TOT has no right to re-claim for the alleged deficit amount.

On 22 September 2011, TOT has submitted the case no. Black 1918/2554 to the Central Administrative Court to revoke the Arbitral Tribunal's award. Presently, the said case is pending on the Central Administrative Court process.

3) *Interconnection agreement in accordance with the announcement of National Telecommunication Commission ("NTC")*

According to Telecommunication Business Operation Act B.E. 2544 and the announcement of National Telecommunication Commission ("NTC") regarding the Use and Interconnect of Telecommunication Network B.E. 2549, the Company has entered into an interconnection ("IC") agreement with other operators approved by NTC and the effective period of the agreement is listed below:

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Operators	Effective period
1) Total Access Communication PCL.	30 November 2006 onwards
2) Truemove Company Limited	16 January 2007 onwards
3) Digital Phone Company Limited	1 June 2009 onwards
4) CAT Telecom Public Company Limited	7 April 2010 onwards

On 31 August 2007, TOT Public Company Limited (“TOT”) has filed a lawsuit against NTC to the Central Administrative Court to revoke the said announcement. On 15 September 2010, the Central Administrative Court has dismissed the case which TOT filed to revoke the announcement of NTC regarding the Use and Interconnect of Telecommunication Network B.E. 2549. TOT has appealed such dismissal to the Supreme Administrative Court. On 4 February 2008 TOT sent a letter to the Company informing that the Company should wait for the final judgment of the Court. Should the Company undertake the IC agreements per the NTC announcement before the final judgment of the Court, TOT shall not recognise the Company’s related actions and the Company must be responsible for such actions.

Having considered the said TOT’s letter, related laws and the legal counsel’s opinion, the Company’s management is of the opinion that non-compliance by the Company with the IC agreements shall be deemed violating the said NTC announcement. Therefore, the Company has decided to comply with the IC agreements in line with the current legal provisions.

According to the Agreement to operate cellular mobile telephone service, the Company has to pay the higher of stipulated annual minimum payment or the percentage of service revenues prior to deducting expenses and taxes. However, the Company had to comply with the regulation while TOT would like to wait for the final judgment of the Court. As a result, the Company anticipated entering into a negotiation with TOT in relation to a calculation method of the revenue sharing. The Company calculated the revenue sharing from the net IC revenue which is similar to other operators in the telecommunication industry on a conservative basis. The revenue sharing amount to be paid to TOT is subject to the final judgment of the Court in relation to revoking the announcement of NTC and a negotiation between TOT and the Company. The Company will make adjustment in the financial statement in the period when the issue has been agreed. The Company’s management is certain that it will not incur significant expense more than the revenue sharing amount which the Company has recorded.

However, after having considered the letter from TOT, the relevant laws and the comments of the legal consultant, the management of the Company is of the opinion that non-compliance with the above Interconnection Agreement would be in conflict with the announcement of NTC regarding the Use and Interconnect of Telecommunication Network. Therefore, the Company decided to comply with the said Agreements which are in line with the legal provisions currently in force by issuing invoices to collect the interconnection charge from the contractual parties.

On 30 December 2008, the Company has remitted the revenue sharing incurred from the interconnection of the telecommunication network since February 2007 to June 2008 in the amount of Baht 761 million based on the rate and calculation method of the Company to TOT. Later, the Company and TOT had set up the negotiation committee to seek for the conclusion but it could not be done as TOT required the Company to pay revenue sharing calculated on gross interconnection charges received by the Company at the rate specified in the Agreement without deduction of interconnection charges which the Company has to pay to other operators. Thus, on 26 January 2011, TOT sent a letter demanding the Company to pay the revenue sharing on the interconnection charges of the concession year 17 - 20 in the amount of Baht 17,803 million plus interest at the rate of 1.25% per month. But the Company disagreed and sent a letter opposing the said claim to TOT and the Company has submitted the dispute to the Dispute Reconciliation Office, Arbitration Institute ref. no. Black 19/2554 on 9 March 2011 requesting the Arbitral Tribunal to give an award

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that TOT has no right to claim for such revenue sharing. At present, the said dispute is pending on the Arbitration procedures.

4) Obligations of the bank guarantees in connection with the Agreement for Operation.

According to the Agreement, the Company has the duties to deliver the bank guarantees to TOT Public Company Limited (“TOT”) to secure the payment of the minimum revenue sharing for each operation year and shall recover the bank guarantee of the operation year back.

TOT did not return the bank guarantees which have secured the payment of the minimum revenue sharing for the operation year 17th - 21st for a total value of Baht 7,007 million by claiming that the Company had not completely paid the revenue sharing due to the deduction of the revenue sharing for the Excise Tax and the deduction of the Interconnection Charges where the disputes of which have been pending the consideration of the Arbitral Tribunal.

On 11 May 2011 and on 5 October 2012, the Company has submitted the disputes to the Office of Dispute Resolution, Arbitration Institute, case no. Black 40/2554 and 119/2555 requesting the Arbitral Tribunal to award an order to TOT to return the bank guarantees to the Company because the Company has completely paid the revenue sharing for each operation year and has correctly and fully complied with the law and the relating Agreements in all respects. At present, the above mentioned disputes are in the process of consideration of the Arbitral Tribunal.

Digital Phone Company Limited (“DPC”)

1) The opinion of the Council of State relating to the amendments or supplements to the Agreement for Operation

Pursuant to the letter of the Ministry of Information and Communication Technology to the Council of State requesting opinion on whether the amendments or supplements to the agreement between CAT Telecom Public Company Limited (“CAT”) and Digital Phone Company Limited (“DPC”) after the enforcement of the Act on Private Participation in State Undertaking, B.E. 2535 (the “Act”) are legitimately effected and in case those amendments or supplements to the Agreement are not legitimately effected according to such Act, what guidelines CAT should implement.

According to the opinion of the Council of State regarding the enforcement of the Act on Private Participation in State Undertaking, B.E. 2535 regarding the Contract permitting the provision of cellular mobile phone service between CAT and DPC on case no. 294/2550 that

***“...the assignment of the rights and duties by Total Access Communication Public Company Limited (“DTAC”) to DPC and the entering into an agreement between DPC and CAT dated 19 November B.E. 2539 are considered as the permission of CAT granted to a private sector to provide cellular mobile phone service, it shall not be deemed to be part of cellular mobile phone service between CAT and DTAC, so DPC shall be the contracting party of CAT and was under the supervision and regulation of CAT and pay remuneration to CAT. DPC shall, therefore, have to comply with the said Act since CAT has already specified the scope of the project and the private sector to provide the service. Besides, the project has already been carried out. Therefore, there is no need to invite private sector to submit any proposal according to Chapter 3. However, Chapter 3 shall be applied in so far as it is not contrary to the fact whereby CAT has to set up the Coordinating Committee in accordance with Section 13 to proceed according to Section 21 of the said Act, provided that the Coordinating Committee will propose the selection result including the reason, negotiation issues, state benefits and the draft of agreement to the Minister who supervised the project in order to propose to the Cabinet within 90 days since the decision by Coordinating Committee.*

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Therefore, the procedures are within the power and authority of the Committee according to Section 13 to consider as appropriate and DPC has already been assigned of the rights and duties from Total Access Communication Public Company Limited according to the Contract Permitting the Provision of Cellular Mobile Phone Service between CAT and Total Access Communication Public Company Limited, DPC shall have the right to provide telecommunication service even though the Contract between CAT and DPC has not been done or performed in accordance with the Act. However, the Contract between CAT and DPC shall remain valid in so far as it is not revoked or terminated by time of ending or other cause. Thus, CAT and DPC shall remain obliged to fulfil the said agreement.”

**The above clauses in “...” represent some parts of the Memorandum of the Council of State no. 294/2550. The full text Memorandum of the Council of State is available only in Thai language.

In addition, the Coordinating Committee pursuant to Clause 13 has already submitted the opinion regarding the amendments of the Agreement of DPC to the Minister of the Information and Communications Technology.

2) *The deduction of excise tax from the revenue sharing between DPC and CAT Telecom Public Company Limited (“CAT”)*

On 9 January 2008, CAT Telecom Public Company Limited (“CAT”) submitted a dispute no. black 3/2551 to the Arbitration Institute and the Dispute Reconciliation Office, Justice Court Office demanding DPC, a subsidiary, to pay additional payment of revenue sharing under the Digital Personal Communication Network Contract in the amount of Baht 2,449 million plus penalty at the rate of 1.25% per month of the unpaid amount of each year computing from the default date until the full payment is made which total penalty calculated up to December 2007 is Baht 1,500 million, totalling Baht 3,949 million.

Later, on 1 October 2008, CAT has submitted the petition to adjust the amount claimed to Baht 3,410 million which calculated from the outstanding revenue sharing up to January 2008 including penalty for Baht 790 million and value added tax for Baht 171 million.

This amount is the same as an excise tax that DPC had delivered to Excise Department during 16 September 2003 to 15 September 2007 and deducted it from revenue sharing according to the resolution of the Cabinet dated 11 February 2003. Moreover, CAT has sent a letter No. CAT 603 (Kor Tor.) 739 notifying DPC to comply with such Cabinet’s resolution. Thus, DPC has correctly and fully complied with the Cabinet’s resolution dated 11 February 2003 and this practice is the same as other operators in mobile phone or cellular radio telecommunication industries according to the resolution of the Cabinet.

On 1 March 2011, the Arbitral Tribunal has dismissed the case by giving the reason which can be summarised that DPC was not in breach of the Agreement since DPC has completely made the payment of the revenue sharing and all debt was therefore paid in full. Therefore, CAT has no right to re-claim for the alleged deficit amount, including the penalty and the value added tax.

On 3 June 2011, CAT has submitted the case no. Black 1259/2554 to the Central Administrative Court to revoke the Arbitral Tribunal’s award. Presently, the said case is pending on the Central Administrative Court process.

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3) The deduction of access charge from revenue sharing between DPC and CAT Telecom Public Company Limited (“CAT”)

Pursuant to the resolution of the meeting on 14 January 2004 between TOT Public Company Limited (“TOT”), CAT Telecom Public Company Limited (“CAT”), Digital Phone Company Limited (“DPC”), a subsidiary, and True Move Company Limited (“True Move”) by the Minister of the Information and Communications Technology Ministry, the Chairman, that TOT consented to reduce access charge of mobile phone from revenue sharing which TOT received from CAT in the amount of Baht 22 /number/month to DPC and True Move starting from the 6th operation year as Total Access Communication Public Company Limited (“DTAC”) had received from TOT.

On 12 October 2006 TOT sent a letter to CAT that TOT could not reduce access charge of mobile phone to DPC and True Move and demanding CAT to pay the access charge that DPC and True Move have deducted as a discount of access charge plus legal interest rate computing from the default date until the fully payment is made.

On 29 July 2008, CAT submitted a dispute no. black 68/2551 to the Arbitration Institute and the Dispute Reconciliation Office, Justice Court Office demanding DPC to pay access charge of mobile phone that DPC had deducted for Baht 154 million (additional consideration of the 7th -10th operation year) plus value added tax and interest at the rate 1.25 percent per month of the above principal amount starting from the default date of each year since the 7th -10th operation year until the full payment is made.

On 15 October 2009, CAT submitted a dispute no. black 96/2552 to the Arbitration Institute and the Dispute Reconciliation Office, Justice Court Office demanding DPC to pay access charge of mobile phone that DPC had deducted for Baht 22 million (additional consideration of the 11th operation year) including the penalty at the rate of 1.25 percent per month which calculated up to 15 October 2009, total amount of claim is Baht 26 million.

On 23 March 2012, the Arbitral Tribunal has dismissed the said two disputes by giving the reason which can be summarised that CAT has not yet paid the discount Baht 22/number/month to TOT. Moreover, CAT cannot prove that DPC has breached the Agreement and has made the payment of revenue sharing incorrectly. Therefore, CAT has no right to re-claim for the alleged deficit amount, including the penalty fine and the value added tax.

On 25 June 2012, CAT has submitted the case no. Black 1016/2555 to the Central Administrative Court to revoke the Arbitral Tribunal’s award. Presently, the said case is pending on the Central Administrative Court process.

4) Access charge payment between DPC, CAT Telecom Public Company Limited (“CAT”) and TOT Public Company Limited (“TOT”)

On 9 May 2011, TOT Public Company Limited (“TOT”) has submitted the case no. Black 1099/2554 to the Central Administrative Court against CAT Telecom Public Company Limited (“CAT”) as the defendant no. 1 and Digital Phone Company Limited (“DPC”) as the defendant no. 2 demanding CAT and DPC to pay the access charge amounting to Baht 2,436 million plus value added tax and interest calculated up to 9 May 2011, total amount of claim is Baht 2,954 million plus interest until the full payment is made as follows:

- 1) Part of DPC calculating on the amount of the mobile phone number which DPC had rendered the service at the rate of Baht 200/number/month, in the amount of Baht 432 million.

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- 2) Part of CAT calculating on a half of the revenue sharing which CAT had received from DPC, in the amount of Baht 2,331 million.
- 3) The discount of access charge at the rate of Baht 22/number/month that DPC deducted from the revenue sharing, in the amount of Baht 191 million. Part of this demand is the same amount as CAT has claimed according to the dispute no. Black 68/2551 mentioned above but different in terms of the calculation period and interest.

At present, the said case is pending consideration of the Central Administrative Court. The Company's management believes that the outcome of the said case shall be in favour of DPC and have no material impact on the consolidated financial statements of the Company since DPC has correctly and fully complied with the law and the relating Agreements in all respects.

5) *To deliver and transfer ownership of towers and equipments of power supply between DPC and CAT Telecom Public Company Limited ("CAT")*

On 3 February 2009, CAT Telecom Public Company Limited ("CAT") has submitted a dispute under Case no. Black 8/2552 to the Alternative Dispute Resolution Office, the Arbitration Institute, demanding DPC, a subsidiary, to deliver and transfer ownership of 3,343 towers including 2,653 equipments of power supply under the Digital PCN ("Personal Communication Network Agreement"). Failure to do so, DPC must reimburse Baht 2,230 million to CAT. DPC considers that all disputed assets, towers and the equipment of power supply are not the property as stipulated in the Agreement.

On 18 July 2012, the Arbitral Tribunal has given the arbitration award to dismiss the said disputes under the reason that the request by CAT to demand the delivery of the assets from DPC was the premature exercise of legal claim under the contract.

On 25 October 2012, CAT has submitted the case no. Black 2757/2555 to the Central Administrative Court to revoke the Arbitral Tribunal's award. Presently, the said case is pending on the Central Administrative Court process.

6) *The reduction of roaming fee between DPC and CAT Telecom Public Company Limited ("CAT")*

Starting from 1 July 2006, CAT Telecom Public Company Limited ("CAT") allowed Digital Phone Company Limited ("DPC"), a subsidiary, to reduce roaming fee per minute from Baht 2.10 to Baht 1.10 to be in line with the decrease of mobile phone service fee. The approval has been renewed for 3-month period several times thereafter until 31 March 2007. After that, CAT did not notify DPC of any changes until on 24 March 2008, CAT had sent a letter to notify DPC to charge roaming fee at Baht 2.10 per minute starting from 1 April 2007. On 8 May 2008, DPC sent a request letter to CAT to reconsider the roaming fee adjustment. The reason for such request was based on the market environment where the prevailing mobile phone service charge to consumers in the market was significantly lower than the specified roaming fee. Such high roaming fee is therefore unreasonable for DPC to provide the roaming service to any operators. In the letter, DPC informed CAT that during the period when CAT is reconsidering the request, DPC will charge roaming fee at Baht 1.10 per minute according to the previous agreed terms and conditions. On 31 March 2009, CAT has approved DPC to charge roaming fee at Baht 1.10 per minute during 1 January 2009 - 31 March 2009. Moreover, DPC has entered into the national roaming agreement with the Company to charge roaming fee at Baht 1.10 per minute approved by National Telecommunication Commission ("NTC") on 16 June 2009.

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On 15 July 2010, CAT has submitted a dispute under case no. Black 62/2553 to the Alternative Dispute Resolution Office, the Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of 10th - 12th operation year that DPC reduced roaming fee per minute from Baht 2.10 to Baht 1.10 during 1 April 2007 - 31 December 2008 amounting to Baht 1,636 million plus penalty computing up to March 2010 of Baht 364 million, totaling Baht 2,000 million and penalty at the rate of 1.25 percent per month from April 2010 until the full payment is made by alleging that CAT had approved the said roaming fee reduction up to 31 March 2007 only.

On 12 September 2011, CAT has submitted a dispute to the Alternative Dispute Resolution Office, the Arbitration Institute; case no. Black 89/2554 demanding DPC to make additional payment of revenue sharing of 12th operation year which DPC reduced roaming fee from Baht 2.10 per minute to Baht 1.10 per minute during 1 April 2009 - 15 June 2009 in the amount of Baht 113 million plus penalty at the rate of 1.25% per month from 1 April 2009 until full payment is made.

At present, the said dispute is pending on the Arbitration process. The Company's management believes that the outcome of the said dispute shall have no material impact on the consolidated financial statements of the Company since DPC has correctly and fully complied with the law and the relating Agreements in all respects.

7) The damage arisen from uncollectible international call service charges between DPC and CAT Telecom Public Company Limited ("CAT")

On 8 April 2011, CAT Telecom Public Company Limited ("CAT") submitted a dispute no. Black 32/2554 to the Arbitration Institute and the Dispute Reconciliation Office, Justice Court Office demanding DPC to pay Baht 33 million including interest at the rate of 15% per annum of the claimed amount, total amount of claim Baht 35 million by alleging that DPC has committed a breach of the Digital PCN (Personal Communication Network) 1800 Service Agreement due to subscriber fraud on the Digital PCN 1800 Service Agreement between DPC and subscribers for 1,209 numbers during 1997 - 2003 causing damages to CAT where CAT was unable to collect the international call service charges occurred from the use of such numbers.

On 28 May 2013, the Arbitral Tribunal reached its decision to dismiss such dispute by stating that it is not about breach of the agreement but whether there has been a wrongful act. Therefore, the dispute is not within the Jurisdiction of the Arbitral Tribunal.

8) Revenue sharing on interconnection charge between DPC and CAT Telecom Public Company Limited ("CAT")

On 24 August 2012, CAT has submitted a dispute under case no. Black 110/2555 to the Alternative Dispute Resolution Office, The Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of 10th - 14th operation year amounting to Baht 183 million and penalty at the rate of 1.25 percent per month of the above principal amount starting from the default date of each year until the full payment is made.

Such amount represents the revenue sharing which CAT calculated on gross interconnection charge received by DPC from other operators at the percentage rate specified in the Agreement without deduction of interconnection charge which DPC has to pay to other operators.

At present, the said dispute is pending on the Arbitration procedures. The Company's management believes that the outcome of the said dispute shall be settled favourably and has no material impact on the consolidated financial statements of the Company since DPC has correctly and fully complied with the law and the related conditions of the Agreement in all respects.

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9) Obligations of the bank guarantees in connection with the Agreements for Operation

According to the Agreement, Digital Phone Company Limited (“DPC”) has the duties to deliver the bank guarantees to CAT Telecom Public Company Limited (“CAT”) to secure the payment of the minimum revenue sharing for each operation year and shall recover the bank guarantee of the operation year back.

CAT did not return the bank guarantees which have secured the payment of the minimum revenue sharing for the operation year 10th - 14th for a total value of Baht 2,606 million by claiming that DPC had not completely paid the revenue sharing due to the deduction of the revenue sharing for the Excise Tax and the deduction of the Interconnection Charges, the discount of Access Charges and the reduction of the rate of roaming charge where the disputes of which have been pending the consideration of the Arbitral Tribunal.

On 8 October 2012, DPC has submitted a dispute to the Office of Dispute Resolution, Arbitration Institute, case no. Black 120/2555 requesting the Arbitral Tribunal to award an order to CAT to return the bank guarantees to DPC because DPC has completely paid the revenue sharing for each operation year and has correctly and fully complied with the law and the relating Agreements in all respects. At present, the above mentioned disputes are in the process of consideration of the Arbitral Tribunal.

AIN Globalcomm Company Limited (“AIN”)

The international direct dialling service by using the symbol “+” between AIN and CAT Telecom Public Company Limited (“CAT”)

On 7 March 2008, CAT Telecom Public Company Limited (“CAT”) has submitted the black case no. 1245/2551 to the Civil Court against Advanced Info Service Public Company Limited (“the Company”) as the defendant no. 1 and AIN Globalcomm Company Limited, a subsidiary, as the defendant no. 2 requesting the Company and the subsidiary to pay compensation with interest rate at 7.5% per annum for damage up to the date of case submission equalling to Baht 130 million. The reason is to change traffic of the international direct dialling service by the Company and the subsidiary during 1-27 March 2007 through the Company subscriber by using the symbol “+” dialling from no. 005 of the subsidiary, instead of no. 001 of CAT without the prior notification to subscriber. On 4 September 2008, CAT submitted a petition revision to adjust compensation for Baht 583 million (including interest) because CAT was damaged consecutively until 7 March 2008.

On 19 November 2008 CAT submitted the request for the order of provisional remedial measure before delivery of judgment to cease the Company and the subsidiary to transfer the traffic 001 or symbol “+” of CAT to traffic 005 of the subsidiary. On 26 February 2009, the Civil Court dismissed the CAT’ request and on 20 March 2009, CAT has appealed the dismissal. On 16 August 2012, the Court of Appeal has issued an order confirming the dismissal order of the Civil Court and CAT has submitted the petition to the Supreme Court on 19 October 2012.

On 17 December 2009, the Civil Court has dismissed the case as the facts cannot be proved that CAT has either an exclusive right to use the symbol “+” or the right to prohibit the Company and AIN to use the symbol “+” and it cannot also be proved that the changing of the connection setting of the international direct dialling service from using the symbol “+” for the code 001 of CAT to “+” for the code 005 of AIN has caused the subscribers who use international direct dialling service to believe that they are using the code 001 of CAT, therefore, the acts of the Company have not infringed any right of CAT and also of AIN which CAT alleged to jointly commit the wrongful act against the Company and have not infringed the right of CAT as well. CAT has appealed to the Court of Appeal on 10 March 2010. Subsequently on 27 June 2013, the Court of Appeal has issued an order confirming the dismissal order of the Civil Court.

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21 Events after the reporting period

Interim dividend

At the Board of Directors' meeting held on 7 August 2013, the Board passed a resolution to approve a declaration of interim dividend for Baht 6.40 per shares. The interim dividend will be paid to the shareholders on 4 September 2013.

22 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group/Company has not adopted the new interpretations that have been issued as of the reporting date but are not yet effective. Those new interpretations that are applicable to the Group/Company, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014
TFRIC 10	Interim Financial Reporting and Impairment	2014
TFRIC 12	Service Concession Arrangements	2014
TFRIC 13	Customer Loyalty Programmes	2014
TSIC 29	Service Concession Arrangements - Disclosure	2014

Management is presently considering the potential impact of adopting and initially applying these new interpretations on the consolidated and separate financial statements.

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23 Reclassification of accounts

Certain accounts in the statement of income for the three-months and six-months periods ended 30 June 2012 have been reclassified to conform to the presentation in the 2013 interim financial statements as follows:

	2012					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	<i>(in million Baht)</i>					
<i>Statement of income for the three-month period ended 30 June 2012</i>						
Revenue from rendering of service and equipment rentals	30,517	(21)	30,496	29,005	(2,389)	26,616
Cost of rendering of services and equipment rentals	(9,807)	<u>21</u>	(9,786)	(11,491)	<u>2,389</u>	(9,102)
		<u>-</u>			<u>-</u>	
<i>Statement of income for the six-month period ended 30 June 2012</i>						
Revenue from rendering of service and equipment rentals	61,058	(21)	61,037	57,958	(5,188)	52,770
Cost of rendering of services and equipment rentals	(19,714)	<u>21</u>	(19,693)	(23,428)	<u>5,188</u>	(18,240)
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.