EXECUTIVE SUMMARY

In 1Q12, service revenue, excluding IC, grew strongly 12% YoY and 2.8% QoQ, having continued to increase for the last seven consecutive quarters, due to strong mobile internet demand, higher voice usage and stable competition. Competition increased in the mobile internet segment, which is a growth market. Voice market competition was benign amidst a market penetration of over 100%, while overall voice pricing remained stable.

Fast and strong growth in mobile internet has gained in popularity from an increasing number of smartphone users and rising usage of social networks. Non-voice revenue grew 32% YoY and 9.6% QoQ. Mobile data revenue grew 69% YoY and 13% QoQ, while mobile data users reached 10.5mn from 9mn last year. AIS responded to customer demand by 1) Introducing seamless network among 3G-900 MHz, EDGE+ and Wifi to ensure data service continuity nationwide 2) doubling 3G-900MHz capacity on its current 3G coverage footprint, particularly in Bangkok, to serve increasing demand and 3) off-loading traffic from 900MHz network to strategic partner's data network.

With AIS' strong operational efficiency, profitability was maintained as expected. EBITDA improved 9.5% both YoY and QoQ. The EBITDA margin stood at 44.6% against the full year guidance of 44%. Throughout the year, we expect this margin to soften as growth in the low-margin handset business offset the high-margin service business. Net income was Bt8,926mn or Bt3.0 per share, increasing 42% YoY and 144% QoQ, due to EBITDA growth, lower amortization, lower interest and tax expense, no DPC goodwill impairment and the deferred tax adjustment in 4Q11. Stripping out non-recurring items in previous quarters, net income grew 34% YoY and 30% QoQ.

Regulatory matters making progress across many areas. Master plans for both frequency management and the telecom industry were approved by NBTC. Telecom sub-committee is drafting terms and conditions for 2100MHz frequency auction and expects to arrange the auction within 3Q12. The regulator also addressed the issue of expiring 1800MHz contracts in 2013 and expressed this as a priority after the 2100MHz auction is completed. AIS will pursue these opportunities as they arise.

SIGNIFICANT EVENT

The Company made a reclassification between voice revenue and international roaming revenue with new definition as stated below. Please be noted that total service revenue remained unchanged from this reclassification. The company recalculates ARPU from 1Q06 to date for comparison purpose, as shown in Page 6 of this report.

1) The definition of voice revenue now includes domestic voice usage generated by postpaid, prepaid and corporate subscribers.
2) International roaming revenue accounts for both inbound and outbound roaming revenue (revenue generated by foreign roamers using AIS network and AIS subscribers who roam overseas).

RESULTS

Revenue

Mobile subscribers continued to expand in spite of the saturated voice market. In 1Q12, AIS subscribers reached 34.1mn, increasing from 33.5mn at the end of last year, representing a net addition of 678k subscribers. This addition came from increased smart devices users as well as organic growth from subscribers nationwide.

AIS total revenue in 1Q12 stood at Bt35,178mn, representing a remarkable growth of 13% YoY and 6.1% QoQ. This was supported by strong growth in voice, non-voice revenue and device sales. Service revenue, excluding IC, grew significantly by 12% YoY led by both voice and non-voice revenue. QoQ, despite flat growth in voice segment, service revenue went up 2.8% due to soaring demand for mobile data. Accordingly, prepaid **ARPU** increased 5.1% YoY to Bt207, while postpaid ARPU increased 2.8% YoY to Bt670. By contrast, postpaid ARPU declined 3% from 4Q11, due to a considerable increase in usage during the festive season and the flood situation in the previous quarter. With AIS' successful strategy to maximize customer off-peak usage, **minute of use** continued to grow 11% YoY and 2.6% QoQ.

Voice Revenue

AIS quality network with the largest coverage throughout Thailand continued to be our key strength, particularly in upcountry markets. We noticed a stable voice competition as the voice market remained saturated. In 1Q12, voice revenue rose to Bt18,702m, a significant increase of 7.5% YoY from both prepaid and postpaid segments. Meanwhile, voice revenue was stable QoQ due to seasonality impact. There was no major adjustment in price plans during the quarter. AIS continued to offer various voice top-ups for the prepaid segment, while postpaid price plans remained the same with a strong focus on customer retention.

Non-voice revenue

Demand for mobile data connectivity continued to grow in terms of both users and usage. AIS recorded 10.5mn data users in 1Q12, which accounted for 30% of overall subscribers, picking up from 9mn last year. Meanwhile, we witnessed a healthy 169% YoY surge in data usage. In 1Q12, AIS generated a non-voice revenue of Bt5,973m, a significant growth of 32% YoY and 9.6% QoQ. Such growth was mainly driven by mobile data revenue, which went up considerably by 70% YoY and 13% QoQ. Consequently, non-messaging revenue (non-voice revenue, excluding SMS and ringback tone) contribution rose sharply from 12.8% of service revenue, excluding IC, in 1Q11 to 16.7% one year later.

To support this strong momentum, AIS is strengthening 3G footprints, targeting double capacity from last year and expects to complete this in 1H12. The target to increase the number of 3G base stations from 1,884 to 3,500 will lead to a better customer experience by improving data speed and network reliability. AIS' 3G service is available in areas where there is a strong demand and potential high growth, including Bangkok and other key strategic cities. With a focus on improving data experience for our customers, AIS continues to maintain its position as the telecom industry leader, providing the widest nationwide coverage and the most reliable voice quality.

Along with even further network expansion, AIS also introduced more flexible and affordable data packages starting with daily buffet plans for only Bt9 per day. Smart devices became increasingly popular, not only in Bangkok, but also in the regional markets. To support our diverse customer base, AIS joined hands with its strategic device partners to offer a variety of smart devices, starting at less than Bt4,000, for the budget conscious customer to high end users, demanding premium brands. Devices bundled with high value for money data packages were also available for customer choice. This allows the AIS to tap into all market segments. In 1Q12, 13% of AIS' subscribers owned smart devices, meaning there is significant opportunity to drive and penetrate this high value market.

International Roaming (IR) and other revenues

In 1Q12, international revenues improved QoQ as the number of foreign visitors and Thai outbound travelers increased after the flood in the previous quarter. Overall, international revenues contributed 7.2% of service revenue, excluding IC. AIS **international roaming** (IR) revenue in 1Q12 was Bt702mn and increased 8.6% QoQ, but dropped 11% YoY due to global price pressure. Other revenues, mainly consisting of **international calls** (IDD), were Bt1,216mn in 1Q12, increasing 15% QoQ and 11% YoY due to higher usage.

Interconnection charges (IC)

Net IC was Bt107mn and increased 9.2% QoQ because of higher AIS on-network traffic, but decreased 30% YoY as AIS continued to promote all-network promotions to stimulate customer usage.

Handset sales

Adoption of smart devices continued to increase, driven by more affordable prices and mobile internet demand. **Sales revenue** was Bt4,636mn, increasing 30% YoY and 42% QoQ as unit sales volume rose while being offset by lower prices. Especially regarding QoQ, the iPhone4S, launched in late December 2011 in Thailand, was the key sales driver. Sales revenue contribution continued to increase from 11% of total revenue in 1Q11 to 13% in 1Q12. While demand for smartphones continues to rise, manufacturers introduced low price models to expand their customer market base. AIS **sales margin** on handset sales continued to decline in line with the market. In 1Q12 the margin stood at 8.1%, compared to 13% in 1Q11 and 10% in 4Q11.

Expenses

Cost of services, excluding IC

Cost of services, excluding IC in 1Q12 was Bt6,065mn, a decrease of 2.9% YoY and 3.9% QoQ due mainly to lower amortization. As AIS approaches the expiry of the Build-Transfer-Operate contracts in 2013 and 2015, new network investment remained smaller than fully amortized assets. In 1Q12, **network amortization** amounted to Bt3,867mn, decreasing 11% YoY and 5.4% QoQ. In 2011, AIS deployed 1,884 base stations on 3G-900MHz and continued to expand capacity in 1Q12. As such, **base rental and utilities expenses** increased 16% YoY and 2.4% QoQ, but were maintained at 2.3% of total revenue, compared to 2.2% in 1Q11 and 2.4% in 4Q11. **Maintenance cost** was Bt329mn in 1Q12, an increase of 1.7% YoY, but a significant decrease of 34% QoQ, following AIS' flood mitigation programs in 4Q11. **Other cost of services** increased 22% YoY and 14% QoQ mainly due to call center related cost and network expansion.

Selling and general administrative expenses (SG&A)

SG&A was Bt2,556mn, representing 7.3% of total revenue, improving from 8.1% in 1Q11 and 9.5% in 4Q11. It slightly increased 1.4% YoY but substantially decreased 19% QoQ due to high marketing spending in 4Q11 related to our rebranding campaign. Although AIS promoted 3G-900MHz service through advertisements and campaigns, **marketing expense** was only Bt508mn or 1.4% of total revenue, compared to full year expected budget of 2 - 2.5% of total revenue. Seasonally, marketing expense is expected to increase toward year-end. **Bad debt** was Bt128mn and decreased 33% QoQ, after the flood impact receded, and 2.6% YoY. Bad debt to postpaid revenue was 1.9%, which improved from 2.9% in 4Q11 and 2.2% in 1Q11.

Profit

With strong revenue growth and a cost effective operation, AIS generated Bt15,694mn **EBITDA**, an increase of 9.5% YoY and 9.5% QoQ. **EBITDA margin** improved to 44.6% from 43.2% in 4Q11 due to lower marketing and maintenance costs. However, EBITDA margin decreased from 46% in 1Q11 due to a lower handset sales margin and a larger revenue mix from the handset sales business. AIS' **net income** was Bt8,926mn and increased 42% YoY and 144% QoQ. Both increases were due to higher EBITDA, lower amortization, no DPC goodwill impairment, lower financial cost, and lower income tax expense. This substantial QoQ increase was due to the Bt2,840mn deferred tax adjustment in 4Q11. Excluding non-recurring items, which include DPC goodwill impairment and the deferred tax adjustment, **normalized net income** was Bt8,926mn and increased 34% YoY and 30% QoQ.

Financial position and cash flow

In 1Q12, AIS' financial position remained healthy with Bt34,705mn **cash** on hand, underpinned by a strong operating cash flow of Bt15,885mn. With an **interest bearing debt** of Bt22,364mn, AIS was in a net cash position. However, AIS will pay a Bt12,662mn cash dividend and Bt247mn in loan repayments in 2Q12. This low gearing level will preserve future investment flexibility, such as the forthcoming 2.1GHz license auction and 3G network roll-out.

Liquidity remained stable with current ratio at 1.04. **Fixed asset** decreased from Bt44,120mn to Bt42,273mn as new CAPEX was lower than fully amortized asset. **Equity** was Bt35,760mn and decreased from Bt39,464mn in 4Q11 due to lower unappropriated retained earnings after appropriated Bt12,662mn as cash dividend. The unappropriated retained earnings was Bt9,510mn as of 1Q12.

In 1Q12, AIS spent Bt1,805mn of cash **CAPEX** against the full year budget of Bt8,000mn. The current CAPEX level is intended to maintain service quality of existing network and partially keep up to the growing momentum of mobile internet by adding new additional capacity on 3G-900MHz in key strategic areas. The strong cash flow generation should be the key source of fund for the budgeted investment in 2012.

FINANCIAL RESULT

Table 1 – Revenue	1Q11		4Q11		1Q12		YoY	QoQ
(Bt million) /(% to total service revenue excluded IC)								
Voice revenue	17,393	73.1%	18,713	72.3%	18,702	70.3%	7.5%	-0.1%
Postpaid (voice)	4,262	17.9%	4,691	18.1%	4,582	17.2%	7.5%	-2.3%
Prepaid (voice)	13,130	55.2%	14,022	54.2%	14,120	53.1%	7.5%	0.7%
Non-voice revenue	4,514	19.0%	5,451	21.1%	5,973	22.5%	32%	9.6%
International roaming	790	3.3%	646	2.5%	702	2.6%	-11%	8.6%
Others (IDD, other fees)	1,092	4.6%	1,059	4.1%	1,216	4.6%	11%	15%
Service revenue excl. IC	**23,788**	**100.0%**	**25,869**	**100.0%**	**26,593**	**100.0%**	**12%**	**2.8%**

Table 2 – Sales	1Q11		4Q11		1Q12		YoY	QoQ
(Bt million)/(% to total revenue)								
Sales revenue	3,561	11.4%	3,272	9.9%	4,636	13.2%	30%	42%
Cost of sales	3,091	9.9%	2,942	8.9%	4,261	12.1%	38%	45%
Net sales	**470**	**1.5%**	**331**	**1.0%**	**375**	**1.1%**	**-20%**	**13%**
Sales Margin (%)	**13.1%**		**10.1%**		**8.1%**			

Table 3 – Interconnection	1Q11		4Q11		1Q12		YoY	QoQ
(Bt million)/(% to total revenue)								
Interconnection revenue	3,798	12.2%	4,024	12.1%	3,948	11.2%	3.9%	-1.9%
Interconnection cost	3,645	11.7%	3,926	11.8%	3,841	10.9%	5.4%	-2.2%
Net interconnection	**153**	**0.5%**	**98**	**0.3%**	**107**	**0.3%**	**-30%**	**9.2%**

Table 4 – Cost of services ex IC and sales	1Q11		4Q11		1Q12		YoY	QoQ
(Bt million)/(% to total revenue)								
Network amortization	4,356	14.0%	4,088	12.3%	3,867	11.0%	-11%	-5.4%
Base station rental & utility	692	2.2%	781	2.4%	800	2.3%	16%	2.4%
Maintenance	323	1.0%	502	1.5%	329	0.9%	1.7%	-35%
Other cost of services	877	2.8%	941	2.8%	1,069	3.0%	22%	14%
Cost of services ex. IC	**6,248**	**20.1%**	**6,312**	**19.0%**	**6,065**	**17.2%**	**-2.9%**	**-3.9%**
Revenue sharing expense	**5,798**	**18.6%**	**6,726**	**20.3%**	**6,747**	**19.2%**	**17%**	**0.3%**

Table 5 – SG&A	1Q11		4Q11		1Q12		YoY	QoQ
(Bt million)/(% to total revenue)								
Marketing expense	509	1.6%	1,137	3.4%	508	1.4%	-0.3%	-55%
General administrative & staff cost	1,829	5.9%	1,766	5.3%	1,872	5.3%	2.4%	6.0%
Bad debt provision	132	0.4%	192	0.6%	128	0.4%	-2.6%	-33%
Depreciation	51	0.2%	52	0.2%	48	0.1%	-5.8%	-7.3%
Total SG&A	**2,521**	**8.1%**	**3,147**	**9.5%**	**2,556**	**7.3%**	**1.4%**	**-19%**
% Bad debt to postpaid revenue	**2.2%**		**2.9%**		**1.9%**			

Table 6 – EBITDA	1Q11		4Q11		1Q12		YoY	QoQ
(Bt million)/(% to total revenue)								
Operating Profit	9,846	31.6%	10,113	30.5%	11,707	33.3%	19%	16%
Depreciation of PPE	718	2.3%	578	1.7%	554	1.6%	-23%	-4.2%
Amortization	3,803	12.2%	3,676	11.1%	3,475	9.9%	-8.6%	-5.5%
(Gain)/Loss on disposal of PPE	0	0.0%	-1	0.0%	-2	0.0%	N/A	184.3%
Management Benefit	-23	-0.1%	-29	-0.1%	-29	-0.1%	27%	2.2%
Other financial cost	-7	0.0%	-7	0.0%	-11	0.0%	45%	52%
EBITDA	**14,336**	**46.0%**	**14,331**	**43.2%**	**15,694**	**44.6%**	**9.5%**	**9.5%**

Table 7 – Financial cost	1Q11		4Q11		1Q12		YoY	QoQ
(Bt million)/(% to total revenue)								
Total financial cost	431	1.4%	351	1.1%	287	0.8%	-33%	-18%

Table 8 - Consolidated (Bt million)	Where	1Q11	4Q11	1Q12	YoY	QoQ
Net income		**6,269**	**3,661**	**8,926**	**42%**	**144%**
Add:Impairment of DPC goodwill	Impairment loss	386	385	0		
Add:Adjustment of deferred tax asset	Income tax expenses	0	2,840	0		
Normalized net income		**6,654**	**6,886**	**8,926**	**34%**	**30%**

Table 9 – Financial Position	(Bt million)/(% to total asset)			
	4Q11		1Q12	
Cash	21,887	25.3%	34,705	35.3%
ST investment	727	0.8%	933	0.9%
Trade receivable	7,037	8.1%	7,102	7.2%
Inventories	1,087	1.3%	1,484	1.5%
Others	2,440	2.8%	2,722	2.8%
Current Asset	**33,178**	**38.3%**	**46,946**	**47.8%**
Networks and PPE	44,121	50.9%	42,273	43.0%
Goodwill	35	0.0%	35	0.0%
Intangible asset	2,275	2.6%	2,181	2.2%
Defer tax asset	6,422	7.4%	6,170	6.3%
Others	642	0.7%	634	0.6%
Total Assets	**86,672**	**100.0%**	**98,239**	**100.0%**
Trade accounts payable	3,520	4.1%	3,517	3.6%
CP of LT loans	5,469	6.3%	5,458	5.6%
Accrued R/S expense	4,593	5.3%	6,591	6.7%
Others	16,152	18.6%	29,418	29.9%
Current Liabilities	**29,734**	**34.3%**	**44,984**	**45.8%**
Total interest-bearing debt	22,374	25.8%	22,364	22.8%
Total Liabilities	**47,209**	**54.5%**	**62,478**	**63.6%**
Unappropriated retained earning	13,246	15.3%	9,510	9.7%
Total Equity	**39,464**	**45.5%**	**35,760**	**36.4%**

Table 10 – Key Financial Ratio	1Q11	4Q11	1Q12
Debt ratio	0.67	0.54	0.64
Net debt to equity	0.15	0.01	Net cash
Net debt to EBITDA	0.09	0.01	Net cash
Total liabilities to equity	2.00	1.20	1.75
Current ratio	0.83	1.12	1.04
Interest coverage	23.23	29.36	42.29
DSCR	2.30	5.86	6.69
ROE (%)	69%	73%	95%

Table 11 – Debt Repayment Schedule (Bt million)	Debenture	Long term loan
1Q12	-	-
2Q12	-	247
3Q12	5,000	-
4Q12	-	247
2013	8,000	493
2014	2,500	2,939
2015	-	1,093
2016	-	1,093
2017	-	493
2018	-	247

Table 12 – Source and use of fund : 1Q12			(Bt million)
Source of Fund		**Use of Fund**	
Operating CF before change in working capital	15,935	CAPEX & Fixed assets	1,805
Interest received	136	Finance cost and finance lease paid	314
Sale of property and equipment	1	Changes in working capital	49
		Net change in current/long investment	209
		Cash increased	13,694
Total	16,072	Total	16,072

FY2012 MANAGEMENT OUTLOOK & STRATEGY *(maintained)*

Service revenue excluding IC	5-6%
Non-voice revenue	25%
Sales revenue	10%+
EBITDA margin	44%
CAPEX	Bt8bn CAPEX (cash flow)

AIS expects a 5-6% growth in service revenue, excluding IC, from continued strong mobile internet demand and stable voice market. Growing smartphone users, social network popularity and limited fixed line internet access will continue to drive mobile internet demand. We believe all operators will try to maintain positive momentum in non-voice market growth by providing more extensive 3G services and promoting 3G smart devices, i.e. smartphones, tablets and air cards. AIS is aiming to increase smartphone users through several marketing campaigns, as well as offering a wider range of devices to expand its mobile data customer base in new emerging markets. As a result, we expect our device sales revenue to increase 10%+. We also estimate that 50% of new device sales this year will be 3G compatible, while 30% will be smartphones (not all 3G phones are considered as smartphones). Non-voice competition is expected to increase, especially regarding claims to widest coverage and fastest speed. However, aggressive price competition in non-voice service is not yet expected because mobile internet demand is very strong while supply remains fairly limited. AIS' strategic focus will be on "quality" to drive "customer experience". We intend to create better mobile internet experience to ensure that our quality service and a long-term relationship between AIS and customers is maintained. For voice market, we believe operators are tending to maintain voice revenue market share due to matured market, resulting in benign competition. AIS will leverage our widest network coverage and local distribution channels to capture new quality voice and data subscribers.

Non-voice revenue is expected to increase 25% due to smart device growth and 3G service. Our "Quality DNAs" (Quality in Device, Network, Application and Service) philosophy continues to be our value proposition that AIS delivers to customers, steering toward more segmented approach. **Device**: Selected smart innovative devices with bundled attractive data packages will be offered to each customer segment. We want to encourage new data customers to experience our nationwide seamless data network by introducing more variety of segmented data price plans. **Network**: Our seamless data network will be strengthened by increasing capacity on 3G-900MHz network and collaborating with strategic partners. Additional 2,000 3G-900MHz base stations will be installed in key strategic provinces where demand is prominent to ensure that our 3G service has better quality and reliability. WiFi service will be expanded by our partners and AIS itself in shopping areas and key points of attraction to enhance mobile internet experience. **Applications**: More new content and applications will be created to support both smartphone users and mass market segments e.g. digital lifestyles content such as eBook, Music. The AIS core value, **Services**, will be reinforced in several dimensions. We will create superior experience at AIS touch points starting from shops to after-sales services. Customers can try smart devices with suggestions from our staff before they decide to buy. Our service infrastructure will be modernized to increase speed and offer the right solutions and privileges for individual customers. With the "Quality DNAs", AIS is confident that we can deliver quality experience and build long-term brand attachment with customers.

As AIS will promote more smart devices in 2012, EBITDA margin target is 44%, which is slightly lower from 44.8% in 2011. The lower EBITDA margin was an effect of margin dilution from handset business, while service margin remains stable. Handset sales business, which has lower margin compared to mobile service business, will become a larger portion in our revenue mix. Our cost efficiency will be maintained owing to AIS economy of scales and management disciplines. Though our rebranding campaign will continue in 2012, marketing spending will likely be capped in range of 2-2.5% of total revenue. Net interconnection charge expects to decrease further but will maintain as a net IC gainer. However, AIS does not expect the net IC gain to be sustainable.

AIS expects to spend Bt8bn CAPEX mainly to strengthen our 3G-900MHz footprints and enlarge data capacity. After launching an interim 3G-900MHz service in July 2011 and upgrading network to EDGE+ nationwide, mass customers start to realize benefit from wireless internet access, resulting in higher mobile internet usage. AIS continue to deliver seamless quality mobile internet network by installing an additional 2,000 3G-900MHz base stations in greater Bangkok and key provinces where consumers' 3G-900MHz devices and demand are ready. We expect to complete the project by Q3. Service at touch points is also important. AIS will be upgrading our AIS shops in order to customize our services in line with "Your Word Your Way" concept. Network amortization continues to decrease because majority of network asset is fully depreciated while new investment remains low. We expect network amortization will decrease 7% YoY.

Capital structure is well planned to preserve our strength for future investment, while maintaining our 100% dividend payout. After establishment of regulator, NBTC (National Broadcasting and Telecom Commission) and progress of NBTC works, AIS has to prepare for the shift of regulatory framework by managing our financial status for upcoming events such as spectrum auction (2.1GHz, 1800MHz and 900MHz) and new technology rollout. To maintain a leadership position in 3G and beyond, our gearing ratios are managed at low level while our cost efficiency runs high to have full flexibility to finance potential investment, strengthening competitive edge, and withstanding competitive pressure.

OPERATIONAL DATA*

Subscribers	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12
GSM Advance	2,878,500	2,898,800	2,928,100	2,976,500	3,027,500	3,056,200	3,116,200	3,193,600	3,288,500
GSM 1800	78,300	78,400	76,400	76,100	76,100	86,500	95,700	98,000	96,400
Postpaid	2,956,800	2,977,200	3,004,500	3,052,600	3,103,600	3,142,700	3,211,900	3,291,600	3,384,900
Prepaid	26,552,400	27,030,500	27,497,600	28,148,100	28,847,700	29,342,300	29,552,000	30,168,300	30,752,700
Total subscribers	29,509,200	30,007,700	30,502,100	31,200,700	31,951,300	32,485,000	32,763,900	33,459,900	34,137,600
Net additions									
Postpaid	42,100	20,400	27,300	48,100	51,000	39,100	69,200	79,700	93,300
Prepaid	694,200	478,100	467,100	650,500	699,600	494,600	209,700	616,300	584,400
Total net additions	736,300	498,500	494,400	698,600	750,600	533,700	278,900	696,000	677,700
Churn rate (%)									
Postpaid	2.3%	2.2%	2.1%	1.8%	1.6%	1.7%	1.6%	1.5%	1.7%
Prepaid	4.7%	4.7%	4.3%	4.4%	4.4%	4.7%	5.0%	4.3%	4.4%
Blended	4.4%	4.5%	4.1%	4.2%	4.1%	4.4%	4.7%	4.1%	4.2%
Subscriber market share									
Postpaid	43%	43%	43%	43%	43%	43%	43%	43%	n/a
Prepaid	44%	44%	44%	44%	44%	44%	44%	44%	n/a
Total	44%	44%	44%	44%	44%	44%	44%	44%	n/a
ARPU excl. IC (Bt)*									
GSM Advance	636	631	631	647	649	645	652	694	678
GSM 1800	611	597	596	585	545	497	461	454	431
Postpaid	635	631	630	645	646	641	647	687	670
Prepaid	194	187	186	197	198	196	195	204	207
Blended	239	231	230	241	242	239	239	251	253
ARPU incl. net IC (Bt)*									
GSM Advance	597	592	599	611	612	606	611	651	638
GSM 1800	594	580	577	576	536	484	445	437	415
Postpaid	596	592	598	610	610	602	606	644	632
Prepaid	199	191	194	203	204	202	201	209	213
Blended	239	231	234	243	244	240	240	252	254
MOU (minutes: billable outgoing only)									
GSM Advance	524	509	522	532	527	530	529	588	573
GSM 1800	483	476	387	496	484	479	463	499	486
Postpaid	523	508	518	532	526	529	527	585	570
Prepaid	263	273	280	292	301	299	300	323	334
Blended	289	297	304	316	323	322	322	349	358

* Restated ARPU from 1Q06 to date according to the reclassification of international roaming revenue.

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ARPU DEFINITION

In accordance with international practice, we have adjusted ARPU disclosure to better reflect all revenues generated from the mobile network. We believe the new definition should provide a more transparent representation of our reported service revenues and maintain the conservative approach of recognizing revenue on a net basis. The revenue items included in the calculation of ARPU figures are based on consolidated revenue, according to the Thai accounting standard. The ARPU definition is outlined accordingly.

	ARPU exclude IC	ARPU include IC
Definition	Consolidated service revenue excludes international call revenues from AIN and interconnection revenues divided by an average of subscribers at the beginning and ending period. = Service revenue - AIN revenue - Gross IC revenue (beg.sub + end.sub) / 2	Consolidated service revenue excludes international call revenues from AIN divided by average of subscribers at the beginning and ending period. = Service revenue - AIN revenue - Gross IC revenue + Net IC revenue (beg.sub + end.sub) / 2
Revenue composition	☑ Voice ☑ Value-added service (call management, SMS, MMS, data) ☑ International roaming ☑ International call via CAT, TOT ☑ Others ☐ Net interconnection revenue ☐ International call via AIN (AIS subsidiary) All categories are net of third-party sharing and commission	☑ Voice ☑ Value-added service (call management, SMS, MMS, data) ☑ International roaming ☑ International call via CAT, TOT ☑ Others ☑ Net interconnection revenue ☐ International call via AIN (AIS subsidiary) All categories are net of third-party sharing and commission

GLOSSARY OF TERMS AND DEFINITIONS

Operational data

Subscriber	Number of registered SIM at ending period whose status is not defined as churn
Postpaid churn	Subscribers whose payment status is overdue more than 45 days from due date
Prepaid churn	Subscribers who do not make a refill within 37 days after validity expires
Net additions	Change of number of subscribers and ending period from the beginning period
ARPU excl. IC	Consolidated service revenue excludes international call revenues from AIN divided by average of subscribers at the beginning and ending period. It includes voice revenue, value-added services, international roaming, international calls and other revenues such as national roaming, broadband and transmission
ARPU incl. IC	Including net interconnection (IC revenue – IC cost)
MOU	Number of billed outgoing minutes generated from voice calls, including international call usage and SMS divided by the number of average subscribers
Churn rate	Number of subscriber disconnections in the period divided by the sum of gross new subscribers in the period and the subscribers at the beginning period
Voice	Domestic voice usage generated by postpaid, prepaid subscribers and corporate subscribers
International roaming	Both inbound and outbound international roaming usage generated by foreign roamers using AIS network and AIS subscribers who roam overseas
IDD	International call (IDD) and other telecommunication services under subsidiaries
Non-voice (data)	Includes all non-voice services e.g. SMS, MMS, GPRS, ring-back tone, infotainment and data transmission; excluding call management services e.g. call forward, conference call, call divert

Financial data

EBITDA margin	Operating profit before depreciation, amortization, and allowance for impairment as a percentage to total revenue
Interest Coverage	Operating profit for the period divided by Interest expenses for the period
DSCR	Debt service coverage ratio calculated from EBITDA after tax divided by repayment of short-term and current portion of long-term borrowing, debentures and interest paid for the period
Net Debt / EBITDA	Short-term and long-term interest-bearing debts minus cash divided by EBITDA
Net Debt / Equity	Short-term and long-term interest-bearing debts minus cash divided by total shareholder's equity at ending period
Interest-bearing Debt to Equity	Short-term and long-term interest-bearing debts divided by total shareholder's equity at ending period
Total Liabilities to Equity	Total liabilities at ending period divided by total shareholder's equity at ending period
Debt Ratio	Total liabilities at ending period divided by total assets at ending period
Free cash flow to EV	(EBITDA – capex – tax) / (market capitalization + book value of net debt)
Free cash flow (FCF)	Up to 2009 FCF = Operating Cash Flow after Working Capital – CAPEX; From 2010 onward, FCF = EBITDA – CAPEX
Network OPEX	Cost of services excluding amortization & depreciation & IC
Cash OPEX	Network OPEX + SG&A excluding amortization & depreciation

ROE (%)	Return to Equity: Annualized normalized net income divided by average equity