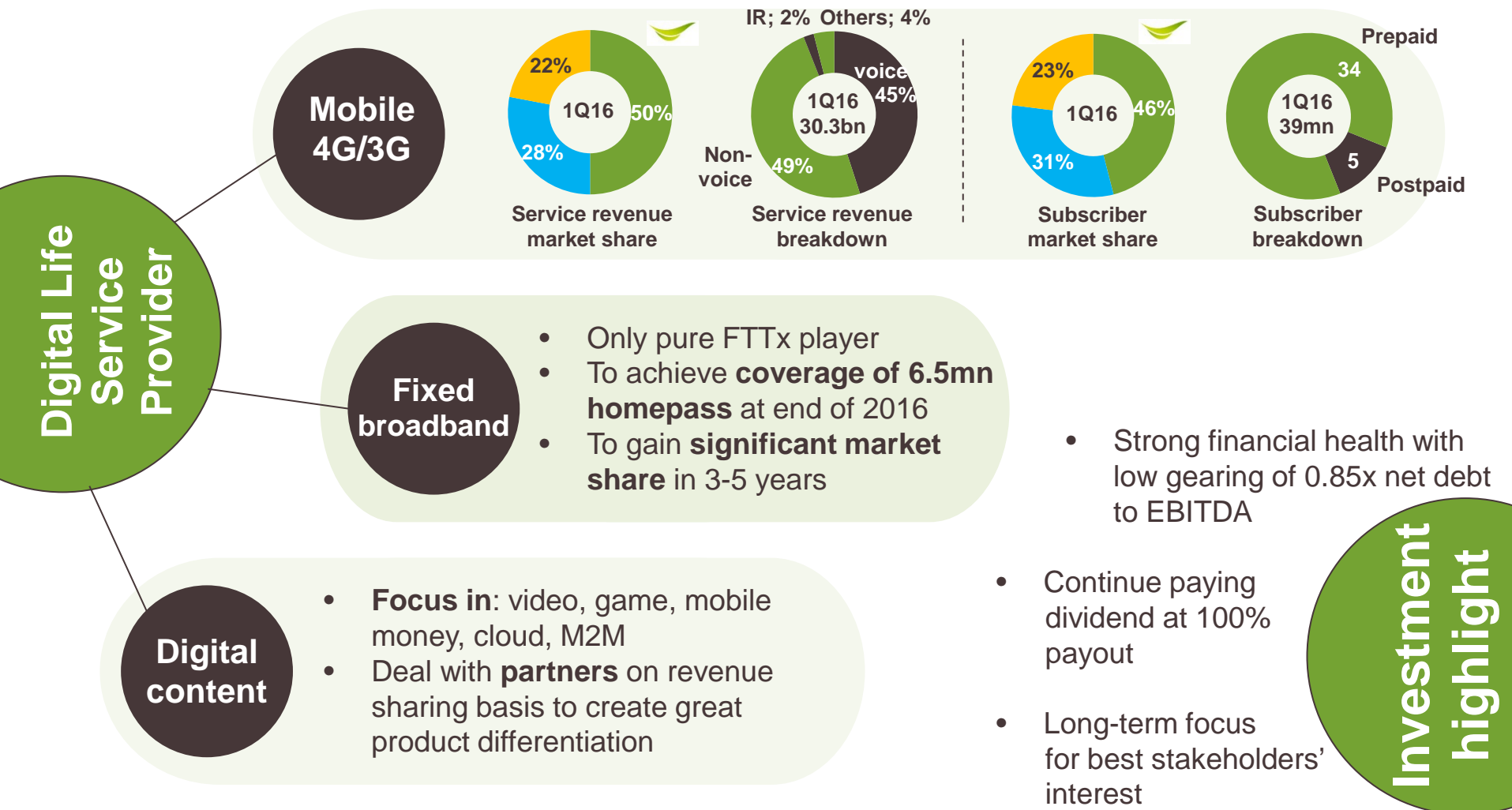


Nomura Investment Forum Asia 2016

Advanced Info Service Plc.

7-8 June 2016

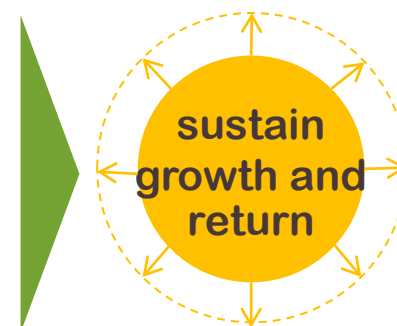
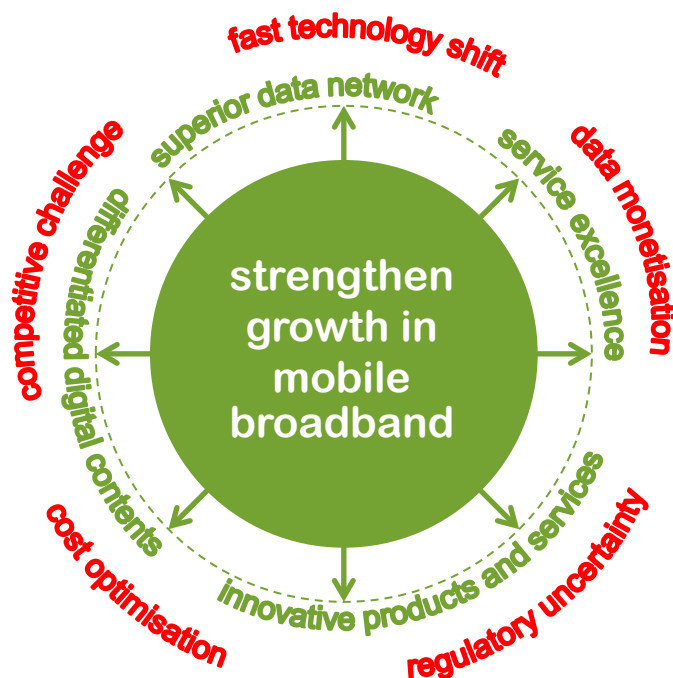
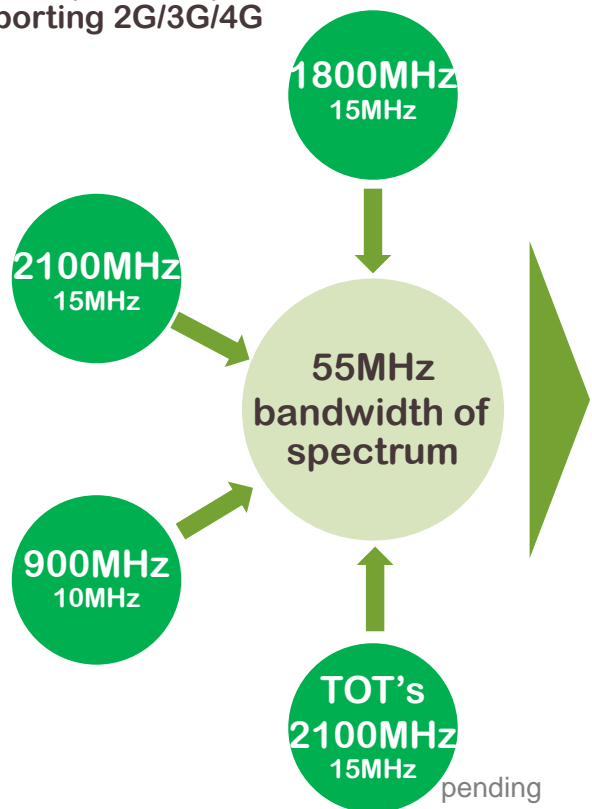
AIS at a glance: on a path to become Digital Life Service Provider



Mobile: Mark leadership in mobile broadband



Overall spectrum portfolio
supporting 2G/3G/4G



Utilize sufficient amount of bandwidth to compete and serve new digital services

Drive up revenue growth to defend and gain market share

Deliver decent return

Handset competition continues but softened while “limited” price plan expected to increase ARPU

as of 1Q16

5 million sub
migrated to 3G/4G

3.2 million units
subsidized

Bt3.4bn
used for subsidy

AIS 4G VoLTE **HD Voice**




- Keep leading in operator handset market
- Launched **AIS 4G VoLTE** at Bt1,990 – Bt3,590

“Limited” price
plans elevate
customer
experience with
fast & smooth
4G/3G service.

**MAX
SPEED**

Most popular

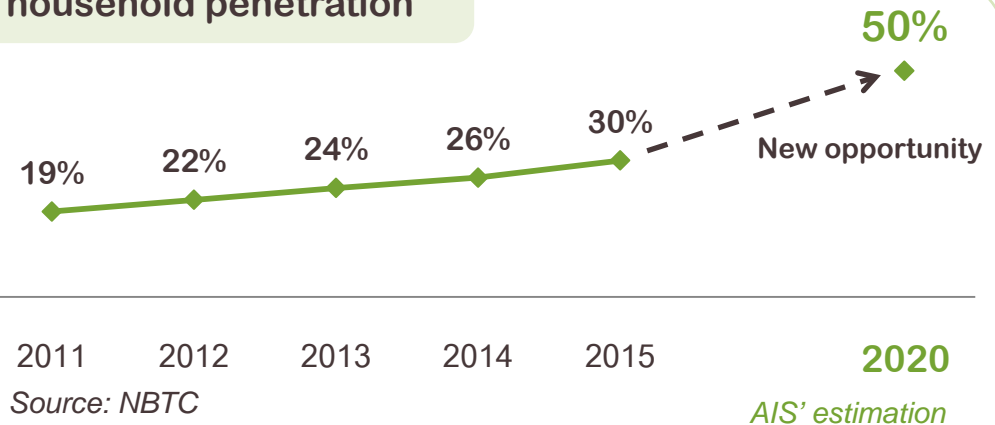
Monthly fee (Baht)	4G 3G Max Speed			All network calls (min.)		AIS Cloud+ 100GB	AIS Play Watch free 4 movies/week
	Total 4G 3G	4G 3G	4G				
299	1.5GB	1.5GB	-	100	☑	☑	-
399	5GB	4GB	1GB	150	☑	☑	-
488	10GB	8GB	2GB	200	☑	☑	☑
688	20GB	16GB	4GB	300	☑	☑	☑
888	30GB	24GB	6GB	400	☑	☑	☑
1,288	50GB	40GB	10GB	600	☑	☑	☑
1,888	75GB	60GB	15GB	1,500	☑	☑	☑

Fixed broadband: expanding with technology and product differentiations

20.6mn total households in 2015

AIS Fibre to cover 6.5mn households by end of 2016

Fixed broadband household penetration



Different product offerings and penetrating underserved demand



- Free **AIS PLAYBOX & Dual band Wi-Fi router**
- New phase targeting **student dormitory**
- To launch **pay per use system** to serve prepaid demand
- More **mobile-fixed bundling** price plans and services

Digital content: to help boost data usage



MOBILE
MONEY

GAME

VIDEO

CLOUD

M2M

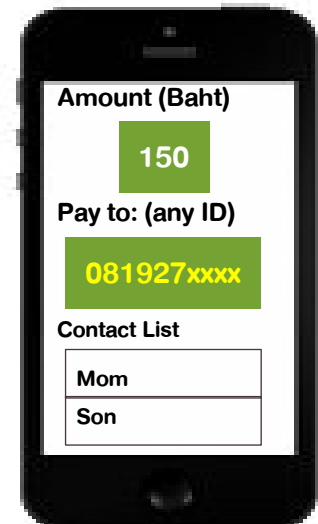


- Video continues to be a main focus
- More contents are added to the platform
- Special offer for 4G subscribers to enjoy entertainment contents

MOBILE
MONEY

- **mPAY Gateway**, one-stop payment service, is promoted among e-commerce merchants and shops to grow with SME and online shopping trend
- Syncing with “any ID” policy to implement in 4Q16

Example of “any ID”



2016 Guidance (under revision)



- 2016 guidance **remains unchanged** at this point of time.

Service revenue (ex IC)	Flat
Device sales	Flat with 3-4% handset margin
EBITDA margin	37-38%
CAPEX	Bt40bn
D&A	Network D&A to decline 25% Licenses amortization of Bt3.3bn
Dividend	Maintain 100% payout ratio

APPENDIX

1Q16 Highlights



- Amidst slow economy and intense competition led by handset subsidy, AIS's **service revenue** remained flat, **-0.5% YoY and +0.9% QoQ**.
- **AIS 4G** was launched on 26 Jan 2016 while 3G network has been ramped up.
- **Handset subsidy was more aggressive by all operators**. For AIS, five million 2G subs were migrated to 3G/4G in 1Q16. Budget used was Bt3.4mn.
- “Unlimited” price plan continued its popularity. However, customers who moved to **“limited” price plan** on average generate higher ARPU.
- **Net profit** was Bt8,073mn. Excluding one-time items, normalized net profit would be Bt8,912mn.
- **Remedy period** was extended to end on 30 June 2016 or until the official date for granting license to the bidding winner, whichever comes first.

1Q16 Financial highlights



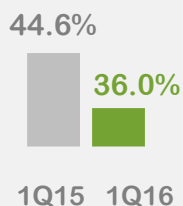
Bt million	1Q15	4Q15	1Q16	% YoY	% QoQ
Service revenue ex. IC	30,309	29,887	30,148	▼0.5%	▲0.9%
Sales revenue	8,288	8,422	5,663	▼32%	▼33%
Total revenue ex. construction	40,536	39,784	37,252	▼8.1%	▼6.4%
Cost of service ex. IC	13,704	10,578	12,693	▼7.4%	▲20%
Total SG&A	4,676	5,643	8,095	▲73%	▲44%
EBITDA	18,073	17,204	13,415	▼26%	▼22%
Normalized EBITDA	18,073	17,204	15,623	▼14%	▼9.2%
Net profit	9,897	10,791	8,073	▼18%	▼25%
Normalized net profit	9,897	10,791	8,921	▼9.9%	▼17%
Consolidated EBITDA margin	44.6%	43.2%	36.0%	▼860bps	▼720bps
Service EBITDA margin	55.0%	55.1%	42.5%	▼1,250bps	▼1,260bps
Sales margin	3.9%	-0.8%	-0.3%	▼420bps	▲50bps
CAPEX	7,165	7,442	12,102	▲69%	▲63%
EPS (Baht / share)	3.33	3.64	2.72	▼18%	▼25%

Handset subsidy pressured EBITDA and net profit

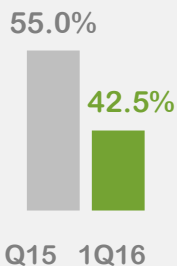


EBITDA margin

Conso. EBITDA margin



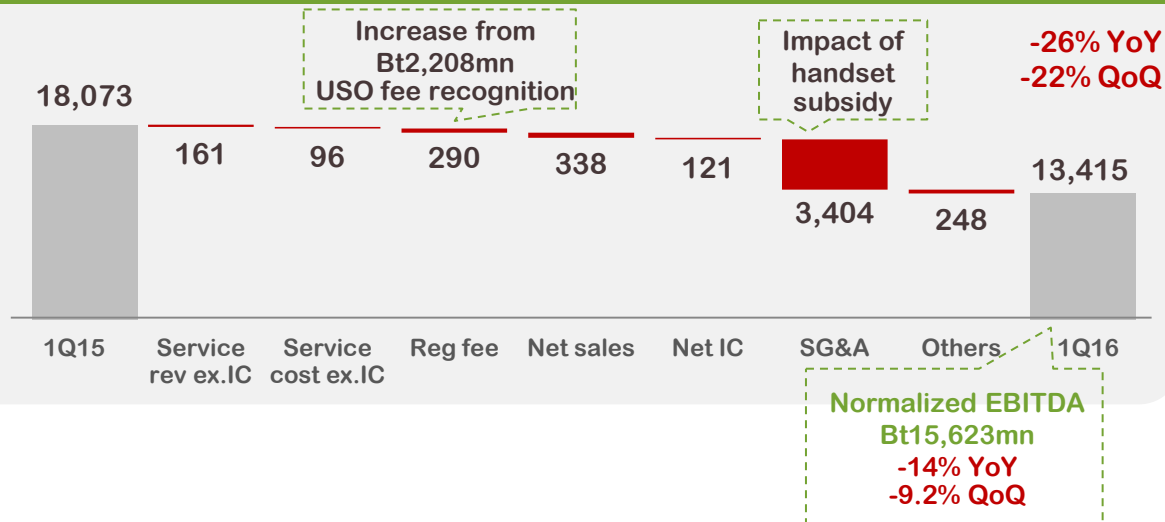
Service EBITDA margin*



*Service EBITDA margin = (EBITDA – Net sales) divided by (Total revenue – Sales revenue)

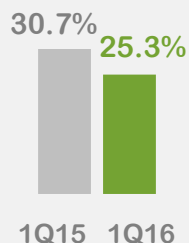
1Q16 – EBITDA (YoY)

(Bt mn)

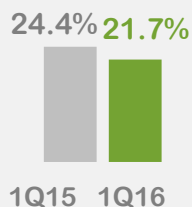


Profit margin

Operating profit margin

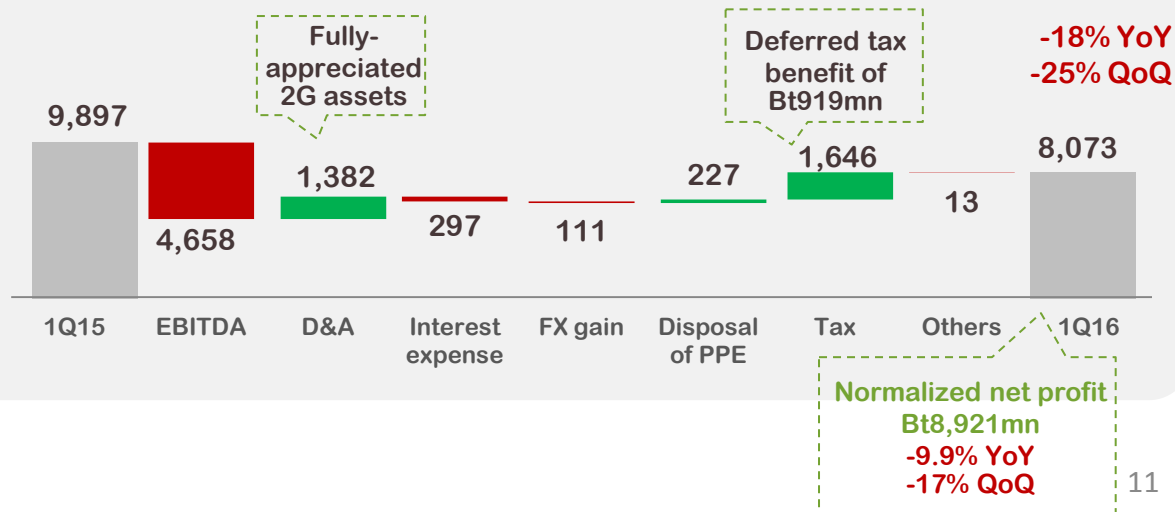


Net profit margin



1Q16 – Net profit (YoY)

(Bt mn)

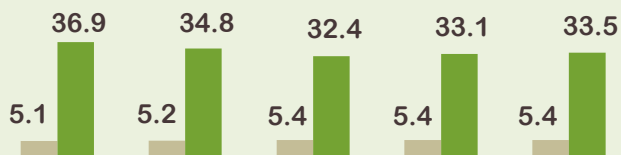


Trend of higher data usage reflected in operational stats

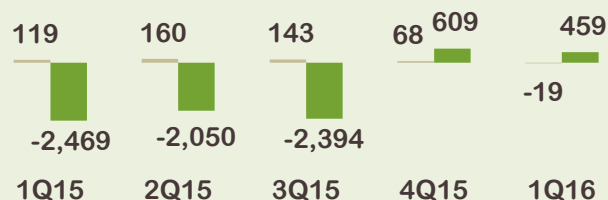


Total of 38.9mn subscribers in 1Q16

Ending subscriber (mn) ■ postpaid ■ prepaid



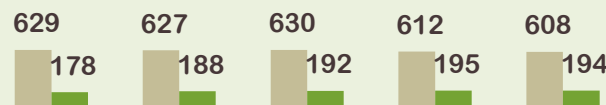
Net addition (thousand)



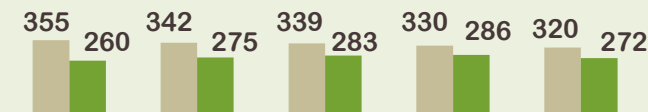
- **Total prepaid subs** gained a net addition partly due to handset subsidy campaign. **Total postpaid subs** was slightly affected when distribution channels needed to focus on handset migration.

ARPU (Bt/sub/month)

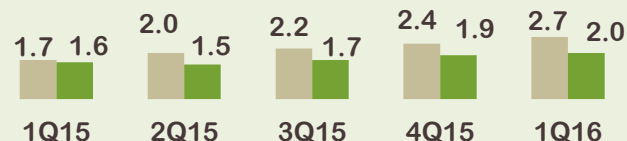
■ postpaid ■ prepaid



MOU (minute/sub/month)



VOU (GB/sub/month)



- **ARPU** of prepaid was quite stable QoQ while postpaid ARPU declined partly from acquisition of low-tier segment of customers. Lower voice usage reflected in declining **MOU** in both postpaid and prepaid segment.
- **VOU** continued to increase from attractive price plan with high data allowance and from 4G usage.



Disclaimers

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

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

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