



Investor Presentation

Advanced Info Service Plc.

November 2017

Ticker: ADVANC (SET)
AVIFY (ADR)

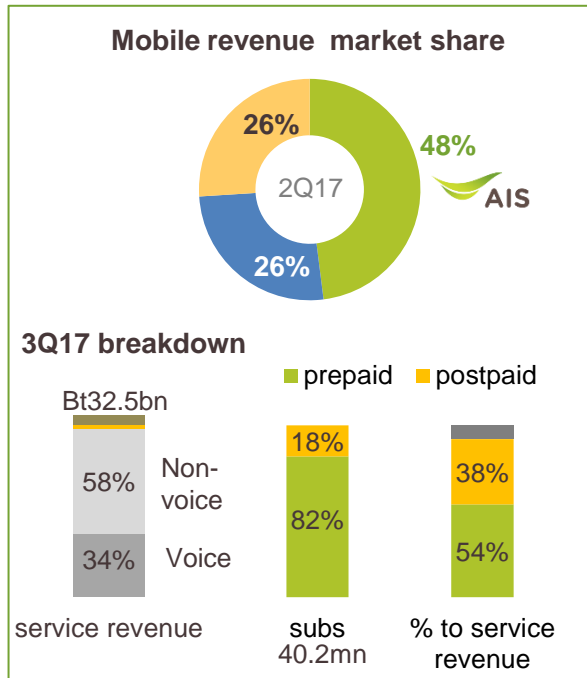


FTSE4Good

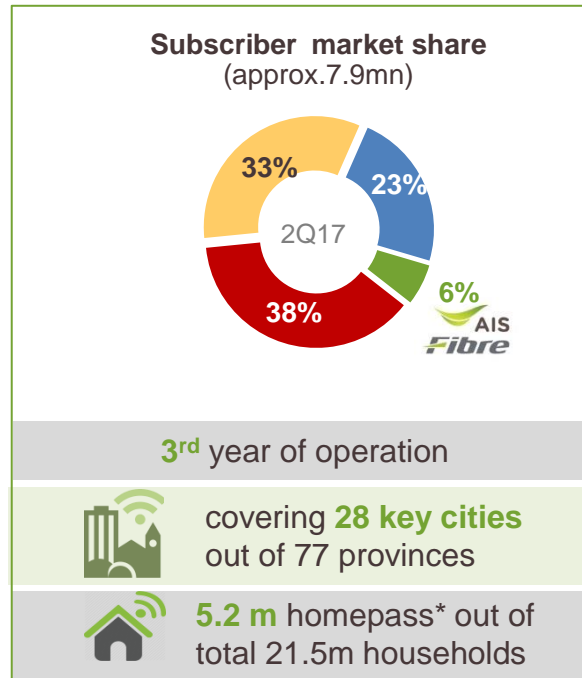
AIS: Digital Life Service Provider



Continue leading in
“**Mobile**”



Expand strongly into
“**Fixed broadband**”



Partner to offer differentiated
“**Digital service**”



Digital life service provider with convergence products

Mark leadership in mobile data

- Nationwide 4G/3G/2G coverage with focus on network quality
- Focus on scale to maintain cost advantage

Aim to be a significant player in 3 years

- Leverage existing nationwide fibre infrastructure
- Defensive value to core mobile business

Pursue long-term growth with integrated services

- Emphasize partnership & ecosystem
- Leverage the large sub base and telecom infrastructure

*Homepass is defined as a number of households within AIS fibre service area. This includes the homes that require additional investment i.e. port, last miles to be able to get connected.

Mobile: Build on leadership in mobile data



Continue to strengthen network quality and efficiency supporting growing data demand

Bt34bn CAPEX

(35% to service revenue)
for 9M17



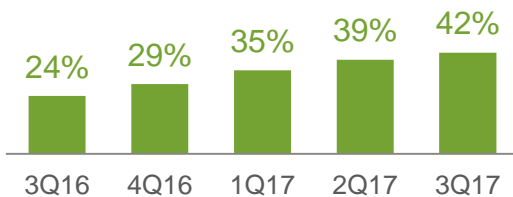
Deploy 2CA in all districts and 3CA
in key cities in addition to
nationwide 2G/3G/4G

Deployed AIS NEXT G network
Up to 1 Gbps mobile data

Awarded "Thailand's Fastest Mobile
Network" for 3 consecutive years by
OOKLA, an independent broadband testing
application

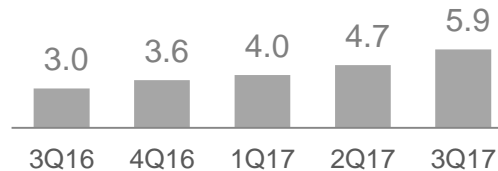
4G handset penetration

% to total 40.2mn subscribers



Average data usage (VoU)

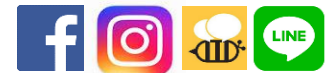
GB/data sub/month



Survey of Thai consumers behavior*

From 25k users as of Jul-17

96%
social network



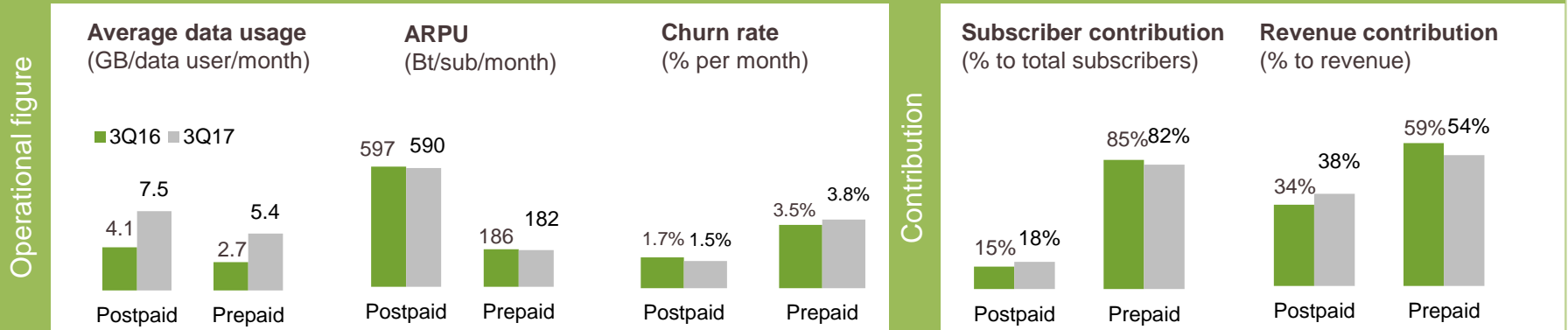
88%
YouTube

72%
TV, movie, music
streaming

*Electronic Transactions Development Agency (Public Organization). [ONLINE] Available at: <https://www.etda.or.th/publishing-detail/thailand-internet-user-profile-2017.html>. [Accessed 05 November 2017].

Mobile: Growth driven by postpaid segment

Expand postpaid segment: driven by data demand and migration to postpaid



Postpaid: Build 4G adoption through VDO content

Postpaid offering is designed to encourage high ARPU subscription with more value and differentiation through VDO contents at worry-free data usage

Segmented plans and handset offerings



Discounted 4G devices from leading brands

Monthly plans

Target high end with full 4G speed in large bucket with FUP*, and target mid-tier with buffet plan with speed cap



Added value and differentiation with video contents

Prepaid: Focus on segmentation

Entertainment



Super Play SIM

- Unlimited music
- Free 2GB AIS PLAY

Teenagers



ZEED SIM

- 12GB YouTube
- Free JOOX
- 5GB Super WiFi

Roamers



SIM2FLY

- Popular outbound roamer SIM
- Bt399 for Asia
- 4GB for 8 days

*Fair usage policy is applied through speed throttle down once reach data allowance


Price plans: Target better ARPU and build differentiation on postpaid



Unlimited data usage with capped-speed packages

- Offer unlimited data usage at different speeds for diverse needs e.g. chat, social networks, music, HD video streaming
- Encourage customers to move from prepaid to postpaid subscription with worry-free plan

Buffet NET





Monthly Fee (Bt)	4G/3G Unlimited max speed at	Call within AIS (mins)	Enjoy Free
350	512kbps	100	 3 months
450	1mbps	100	
550	4mbps	200	
600	6mbps	200	

*AIS WIFI is included in all packages.

Full 4G speed packages

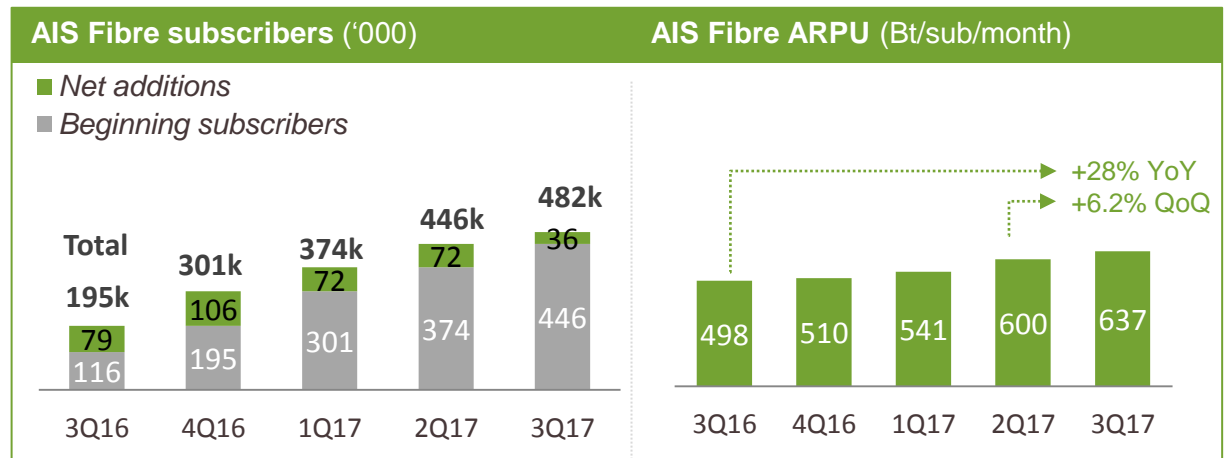
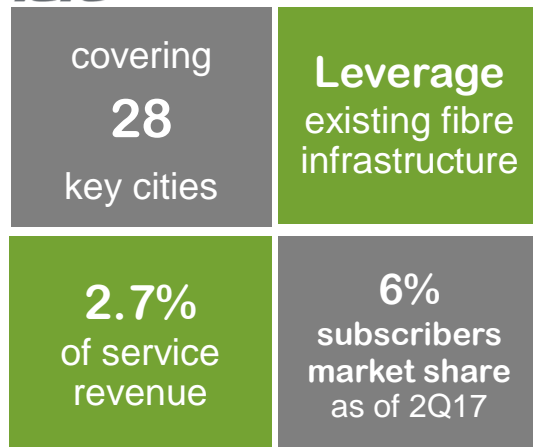
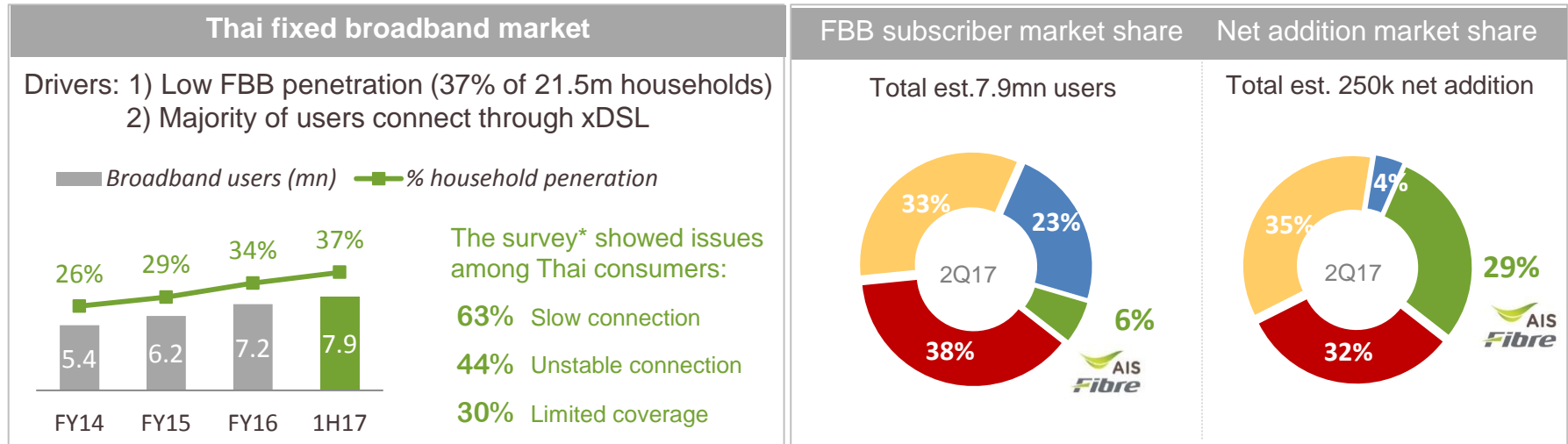
- Attract new data users and encourage higher ARPU subscriptions through premium VDO contents e.g. AIS Play, Premier package, HOOQ, and Netflix
- 4G speed with FUP, reduced speed after reaching the data usage limit
- Serve high-end heavy data users with real unlimited max speed experience

4G MAX SPEED

Monthly Fee (Bt)	Total internet	FUP after reach data usage limit	Call all networks (mins)	Enjoy Free
299	1GB	128kbps	100	 1 month
399	3GB		150	
499	7GB		200	 3 months
599	10GB		250	
799	15GB	384kbps	350	
999	20GB		450	 3 months  12 months
1,099	Unlimited at max speed	-	650	
1,299			850	
1,499			1,200	
1,899			2,000	

*AIS WIFI is included in all packages.

FBF: Expand subscriber and revenue base



Source: NBTC, Company data

*Electronic Transactions Development Agency (Public Organization). [ONLINE] Available at: <https://www.etda.or.th/publishing-detail/thailand-internet-user-profile-2017.html>.




[Accessed 05 November 2017].

FBB: Adding value through bundling packages




Pure broadband	Max Speed Internet (Download/Upload)	Standard Price (Baht/Month) (Exclude VAT)	AIS Postpaid Customer (Baht/Month) (Exclude VAT)
	30/10 Mbps	590	531
	50/20 Mbps	777	699
	75/30 Mbps	888	799
	100/40 Mbps	999	899

Broadband + contents	Max Speed Internet (Download/Upload)	Standard Price (Baht/Month) (Exclude Vat)	AIS Postpaid Customer (Baht/Month) (Exclude Vat)	AIS Serenade (Baht/Month) (Exclude Vat)	TV, movies, series, cartoons and news from world-class channel with AIS PLAYBOX
	30/10 Mbps	690	631	-	-
	50/20 Mbps	877	799	699	 Enjoy free 100 + TV channel with vHigh Resolution.  Free 12 months
	75/30 Mbps	988	899	-	
	100/40 Mbps	1,099	999	899	

broadband + contents + mobile	Monthly Fee (Bt)	FBB mbps (DL/UL)	Entertainment	MOBILE Unlimited speed at
	599	30/10	NA	1mbps
	799	50/20	 PLATINUM FULL HD 3 months	4mbps
	1,099	100/30	 PLATINUM FULL HD 3 months	4mbps
	1,799	100/40	 PLATINUM FULL HD 6 months	6mbps

- Offer competitive pricing with segmented packages to serve different needs of customers
- Focus on ARPU accretion – Encourage customers to subscribe to high-end packages with more value for money and attractive campaigns
- Leverage synergy of the three core businesses (FMC) to acquire new subscribers while create stickiness and differentiation.

 comes with 100+ free channels. Customers can subscribe to **additional packages for premium contents – GOLD or PLATINUM**

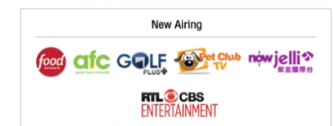
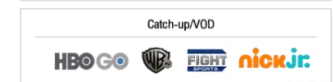
Bt599/month

PLATINUM FULL HD LIVE for over 38 channels



Bt299/month

GOLD FULL HD LIVE 20 channels



*AIS WIFI is included in all packages.

Digital service: Create differentiation with exclusivity and variety

Digital contents



Create **differentiation** and **value added** to both mobile and fixed broadband businesses and introduce convergence packages

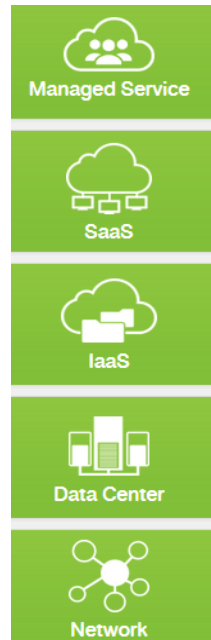
AIS PLAY and **AIS PLAYBOX**, AIS' video platforms, provide world class entertainment both on the go and at home

Nov-17, AIS has launched a new video platform with better performance

Enterprise services

- Largest mobile network infrastructure and backhaul at carrier grade, supporting coverage and capacity to serve enterprise segment e.g. domestic data circuit (lease line), corporate internet
- Provide ICT total solution from voice data connectivity to ICT solution

Announced Business Cloud Vision in Sep-17 with readiness to collaborate with every business desiring to have Cloud system



- Consultancy, system installation/relocation/maintenance/ security
- AIS Unified Communication – a Cloud phone system
- AIS mForm – a platform to build internal online forms
- Partner with Microsoft Azure to provide resource management with insightful analytics
- Tier-4, world-class Data Centers
- EDS with Bandwidth-on-demand function

mPAY, online payment



mPAY

Mobile payment gateway, partnering with wide range of banks and credit card companies



Encourage adoption of self-service



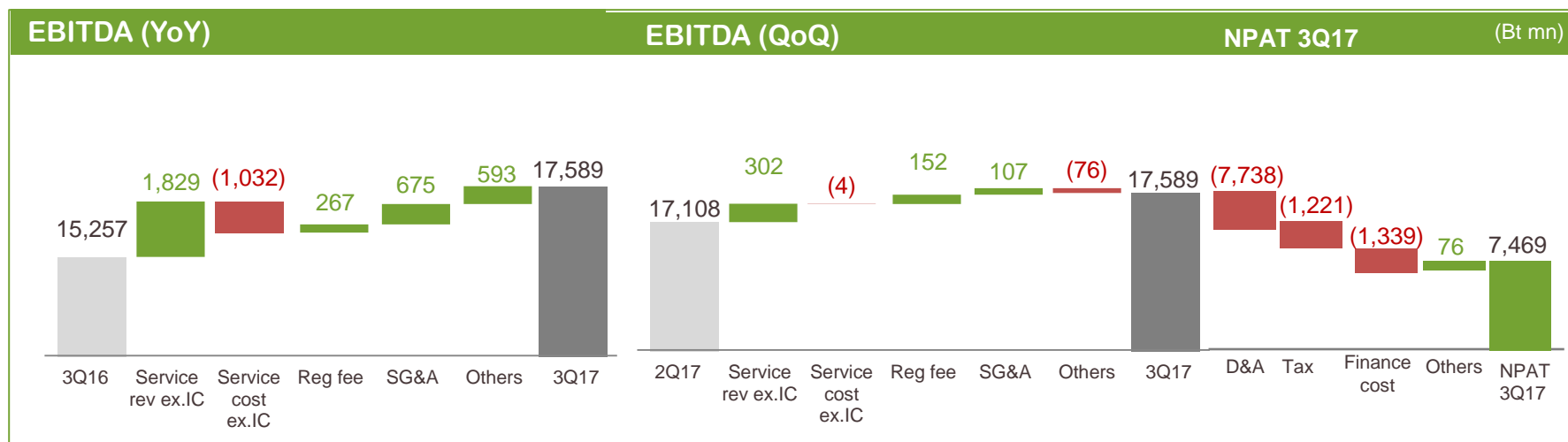
scan QR to download **myAIS app**

myAIS app >1.3mn active users

All-in-one AIS online application for both AIS mobile and AIS Fibre

- Manage accounts e.g. check real-time usage, buy package, pay the bills.
- Check and receive privilege
- Ask Aunjai – AI chatbot

3Q17 Overview



Bt mn	3Q17	%YoY	%QoQ
Service revenue ex. IC	32,455	▲6.0%	▲0.9%
Mobile	31,569	▲3.9%	▲0.5%
FBB	886	▲282%	▲20%
Cost of service ex. IC	(15,764)	▲17%	▲1.6%
SG&A	(6,599)	▼9.1%	▼1.5%
EBITDA	17,589	▲15%	▲2.8%
EBITDA margin	45.6%	▲450bps	▲180bps
NPAT	7,469	▲14%	▲3.5%

- 3Q17 revenue was driven by both mobile, particularly on postpaid segment, and fixed broadband business.
- 3Q17 EBITDA increased both YoY and QoQ mainly from revenue improvement and lower handset subsidies.
- Net profit improved both YoY and QoQ following increased EBITDA. This quarter we recognized YTD tax incentive from investment in FY17 amounting Bt309mn.

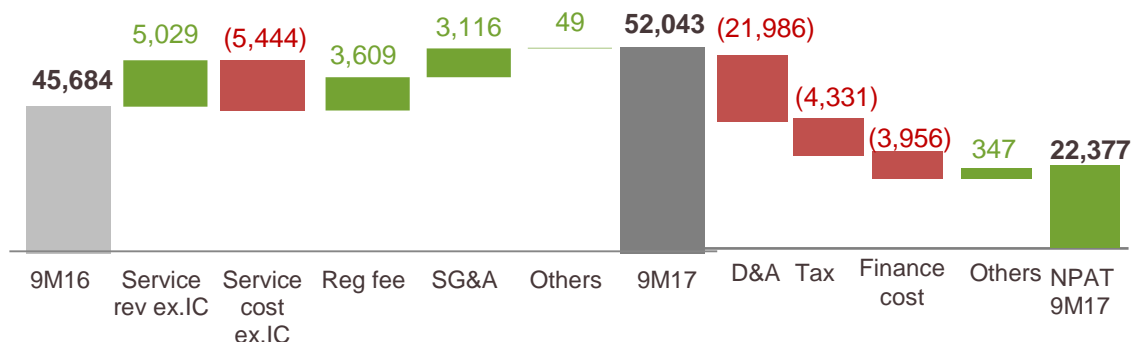
9M17 Overview



9M17 EBITDA (YoY)

9M17 NPAT

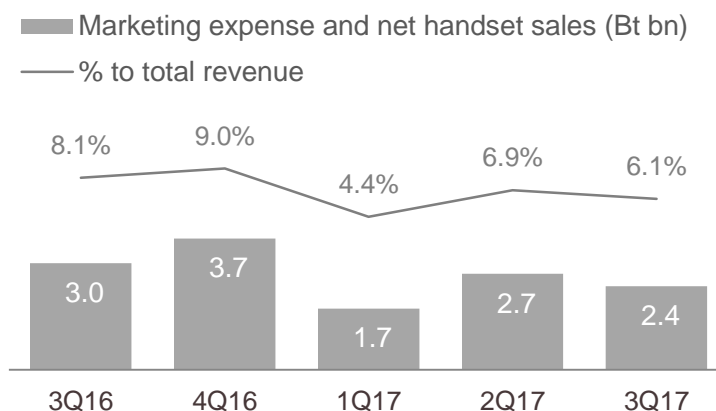
(Bt mn)



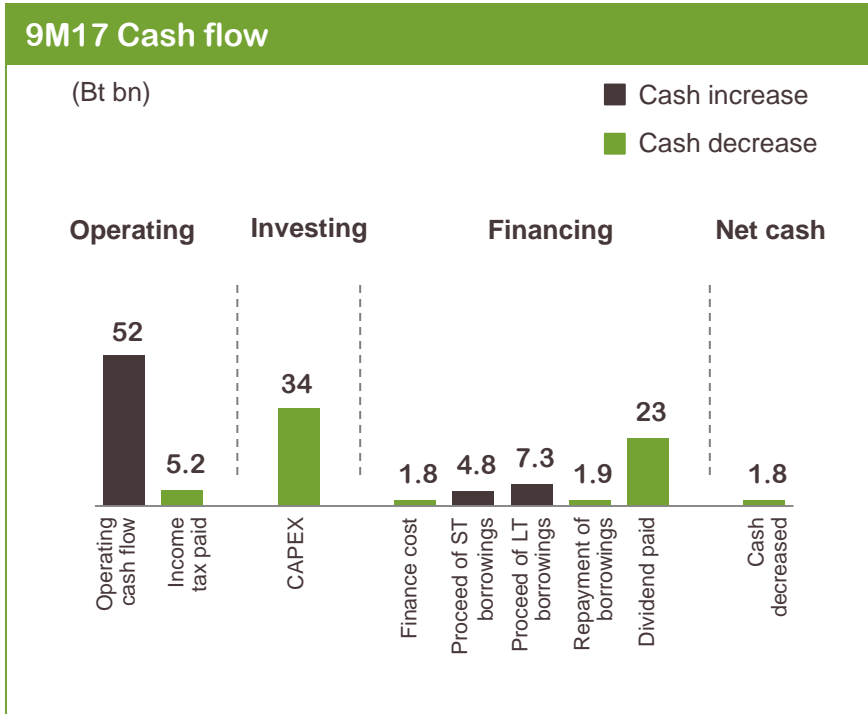
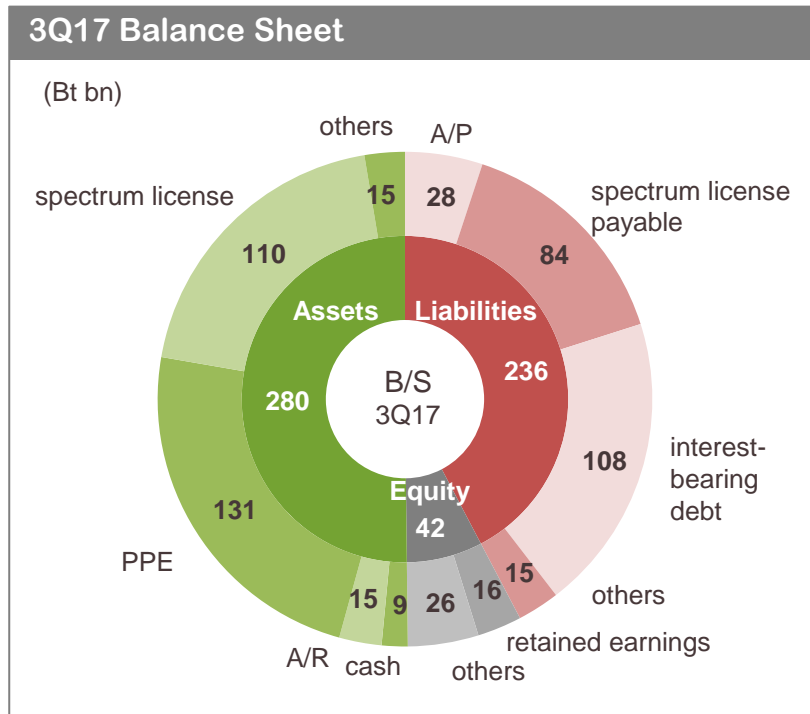
- Revenue growth was driven by demand for mobile data and expanded customer base of FTTx.
- EBITDA was well maintained amidst challenging competition.
- Net profit reflected continued 4G network expansion and acquisition of spectrum license.

9M17	Bt billion	% YoY
Service revenue, excl. IC	96	+5.5%
Mobile	94	+3.7%
FBB	2.2	+353%
EBITDA	52 44.7% margin	+14%
Net profit	22	-7.5%

Controlled handset subsidy



Maintained strong financial position for future growth



Net debt to EBITDA = 1.4x (2.6x if include the Bt88bn spectrum license payment toward 202)

Interest bearing debt to Equity = 2.5x

Current ratio = 0.4x

Return on Equity = 73%

DuPont analysis ROE = NPAT Margin × Asset TO × Fin. Leverage

73% 18.3% 0.6x 7.1x

Operating cash flow remained strong to support network investment

Average finance costs = 3% p.a.

- Maintaining investment grade credit ratings
 - Fitch: national rating AA+ (THA), outlook stable
 - S&P: BBB+, outlook negative

FY17 Guidance (maintained)



	FY17 Guidance	9M17 actual	
Service revenue (ex. IC)	+4-5% YoY	5.5% YoY	<ul style="list-style-type: none"> Improved network quality and increased smartphone adoption
EBITDA margin	42-44%	44.7%	<ul style="list-style-type: none"> Improved revenue and cost management offset by full-year payments for TOT partnership
CAPEX	Bt40-45bn	Bt33.8bn	<ul style="list-style-type: none"> Strengthen 4G capacity with 2CA and 3CA expansion Selective expansion for fixed-broadband business
Dividend policy	Minimum 70% payout of NPAT	70% payout of NPAT	<ul style="list-style-type: none"> Preserve financial health and flexibility for future growth

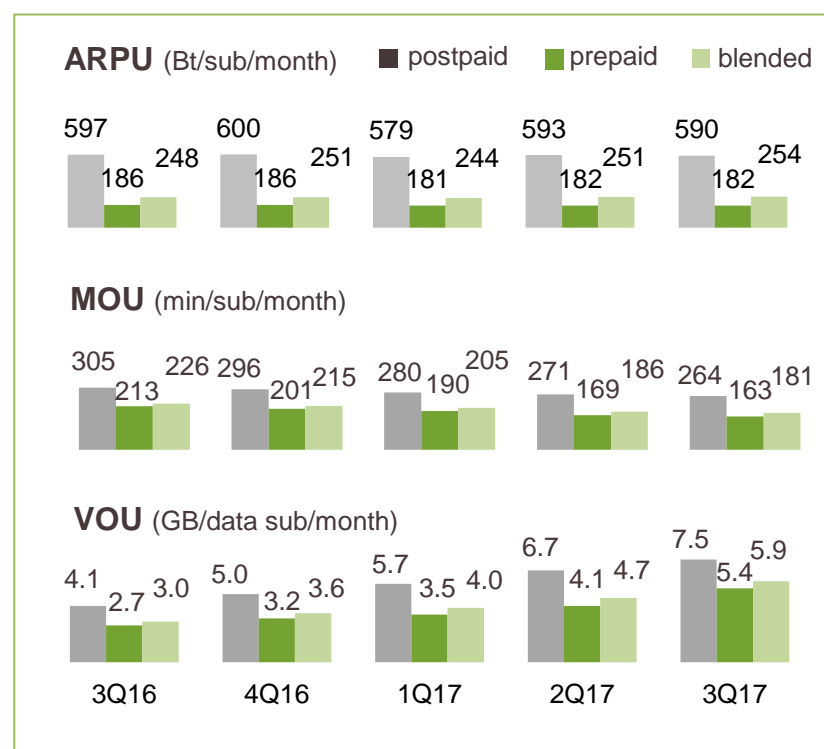
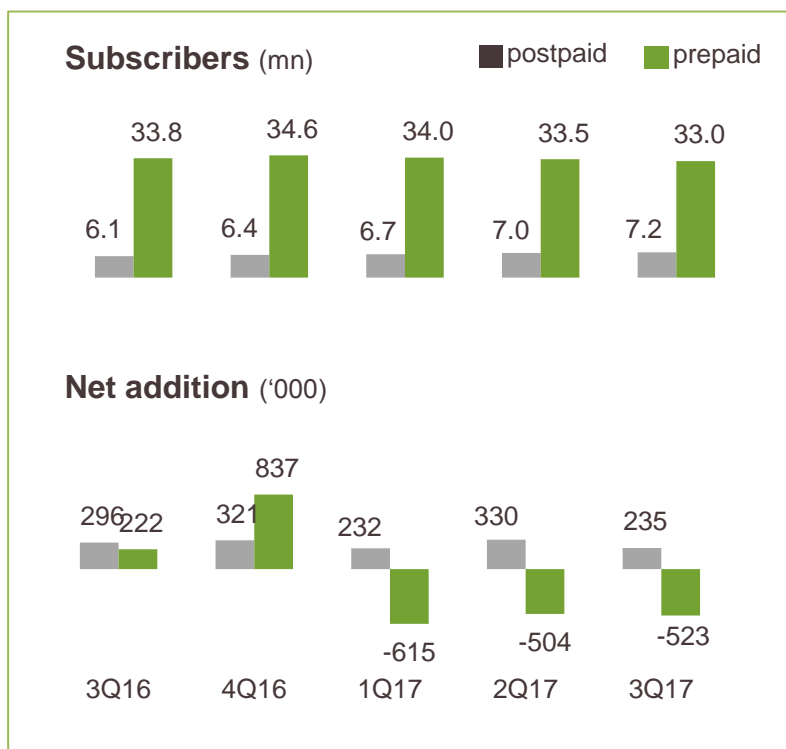
APPENDIX

3Q17 Financial Highlights



Bt mn	3Q16	2Q17	3Q17	%YoY	%QoQ	9M17	%YoY	FY17 Guidance
Service revenue ex. IC	30,627	32,153	32,455	▲6.0%	▲0.9%	95,972	▲5.5%	+4-5%
Sales revenue	5,064	5,858	5,022	▼0.8%	▼14%	17,287	▲11%	increase
Total revenue	37,096	39,079	38,580	▲4.0%	▼1.3%	116,516	▲5.1%	
Cost of service ex. IC	(13,537)	(15,512)	(15,764)	▲17%	▲1.6%	(46,480)	▲24%	
SG&A	(7,260)	(6,701)	(6,599)	▼9.1%	▼1.5%	(18,739)	▼14%	
EBITDA	15,257	17,108	17,589	▲15%	▲2.8%	52,043	▲14%	
EBIT	9,101	9,890	9,971	▲9.6%	▲0.8%	30,401	▼2.4%	
NPAT	6,529	7,215	7,469	▲14%	▲3.5%	22,377	▼7.5%	near zero margin
Sales margin	-16%	-2.7%	-4.9%	▲1110bps	▼220bps	-4.8%	▼20bps	
EBITDA margin	41.1%	43.8%	45.6%	▲450bps	▲180bps	44.7%	▲350bps	42-44%
EBIT margin	24.5%	25.3%	25.8%	▲130bps	▲50bps	26.1%	▼200bps	
NPAT margin	17.6%	18.5%	19.4%	▲180bps	▲90bps	19.2%	▼260bps	
Capex	(13,236)	(11,334)	(10,979)	▼17%	▼3.1%	(33,822)	▼8.7%	Bt40-45bn

Mobile: improving ARPU supported by pre-to-post migration



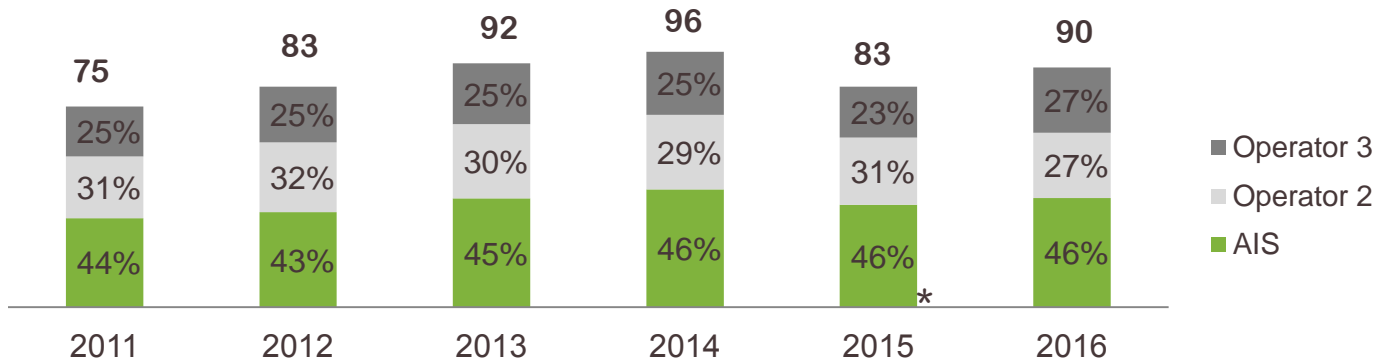
- **AIS recorded 40.2mn subscribers**, dropping 287k from 2Q17 due to lower prepaid base
- **Postpaid** subscribers gained 235k underpinned by increasing mobile data demand and attractive offerings
- **Prepaid** subscribers lost 523k partially due to migration to postpaid and competition offering handset subsidies

- **Blended ARPU** improved to Bt254 driven by larger postpaid base
- **Blended MOU** declined to 181 minutes due to voice-data cannibalization
- **Blended VOU** rose to 5.9GB from increasing consumption of video streaming

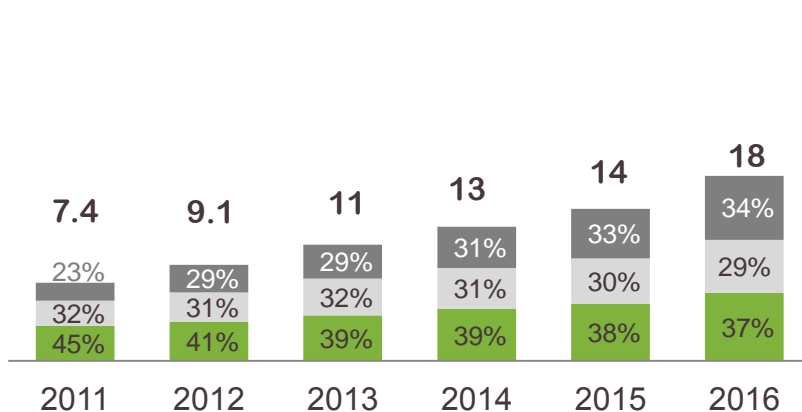
Mobile market share by subscribers



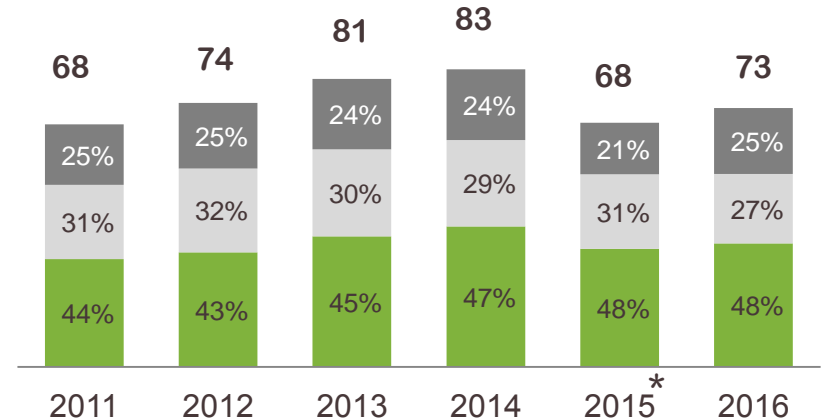
Total subscriber (mn)



Postpaid subscriber (mn)

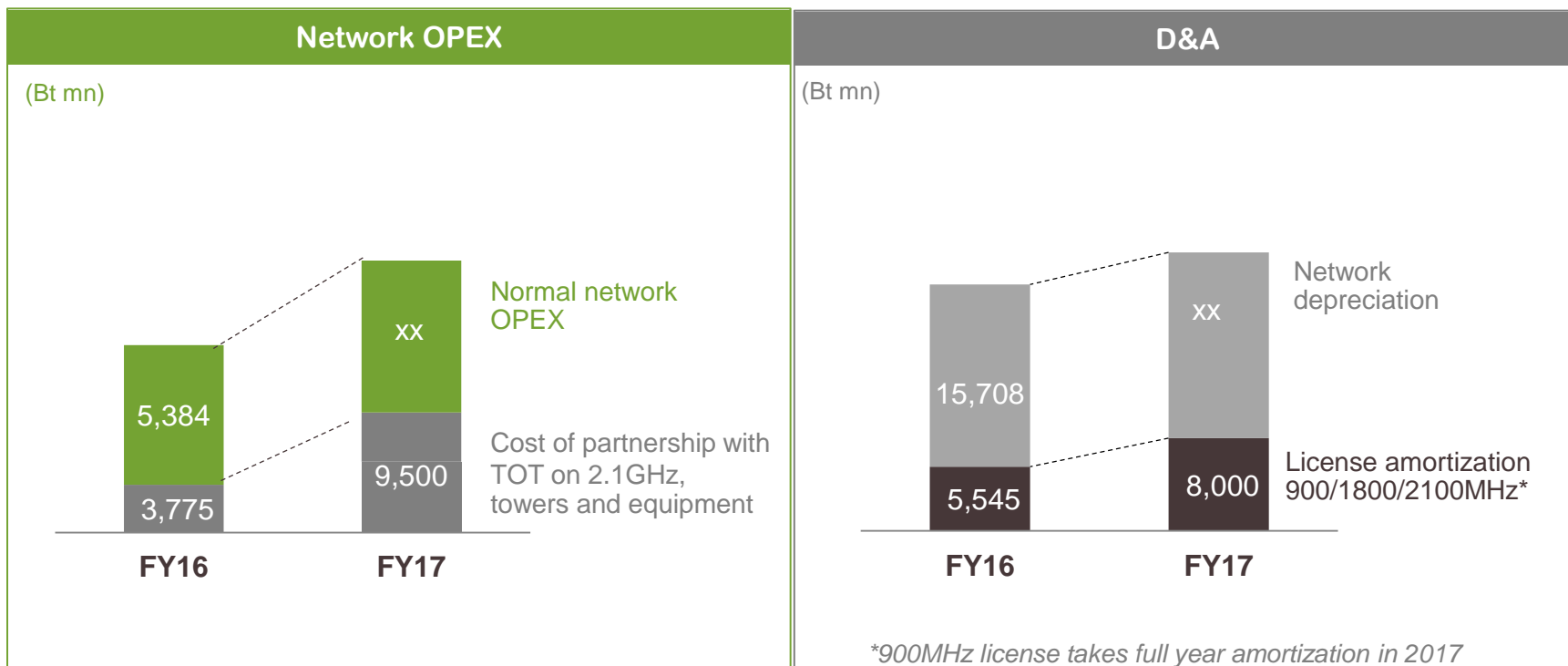


Prepaid subscriber (mn)

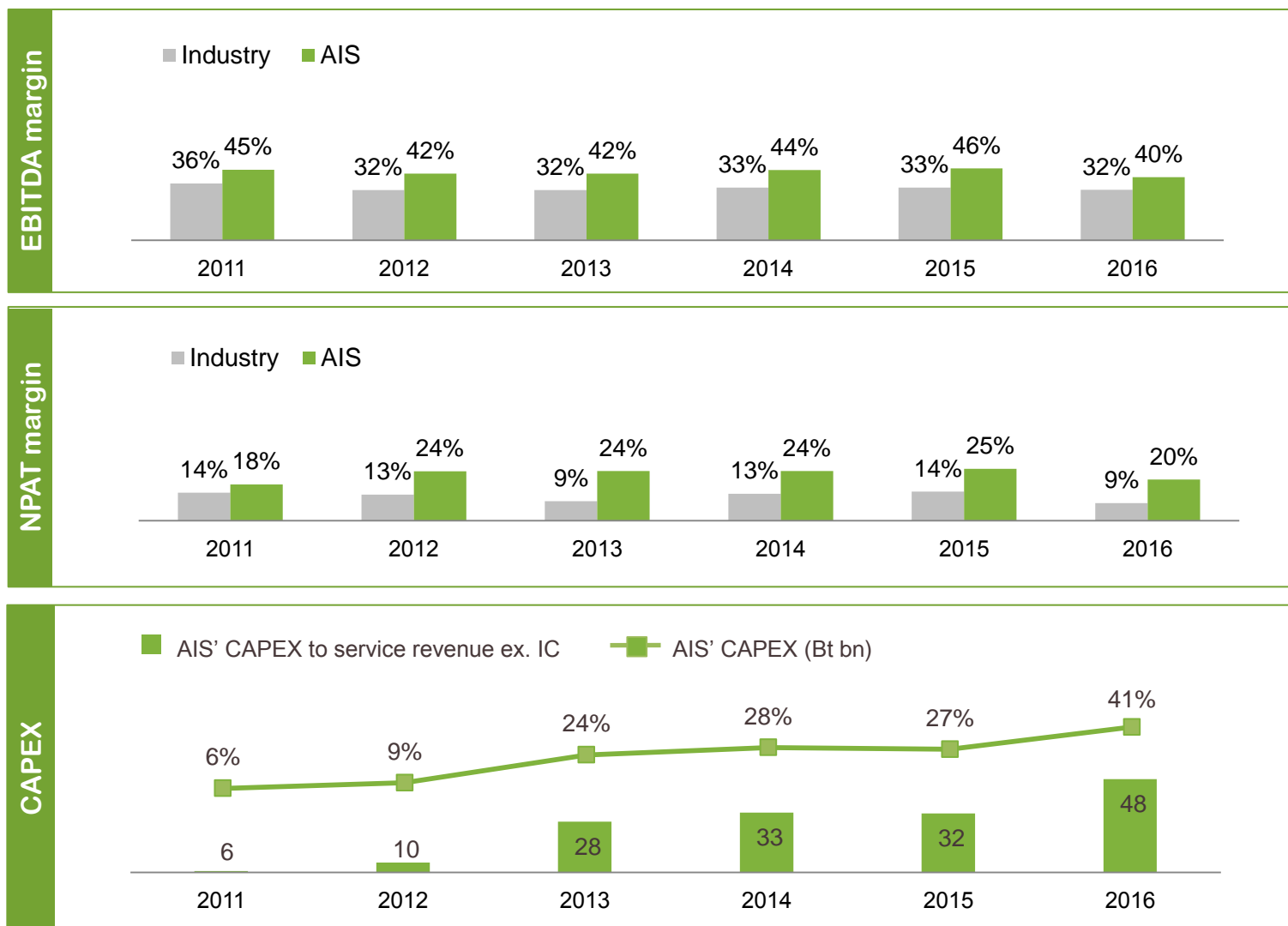


* In 2015, sub base of the industry was affected by the adjustment of prepaid sub reporting to reflect only active ones. The decrease in sub base also caused by NBTC's announcement requiring prepaid sub to register their SIMs. The SIMs that failed to register by the deadline were terminated.

Breakdown of OPEX and D&A in FY17

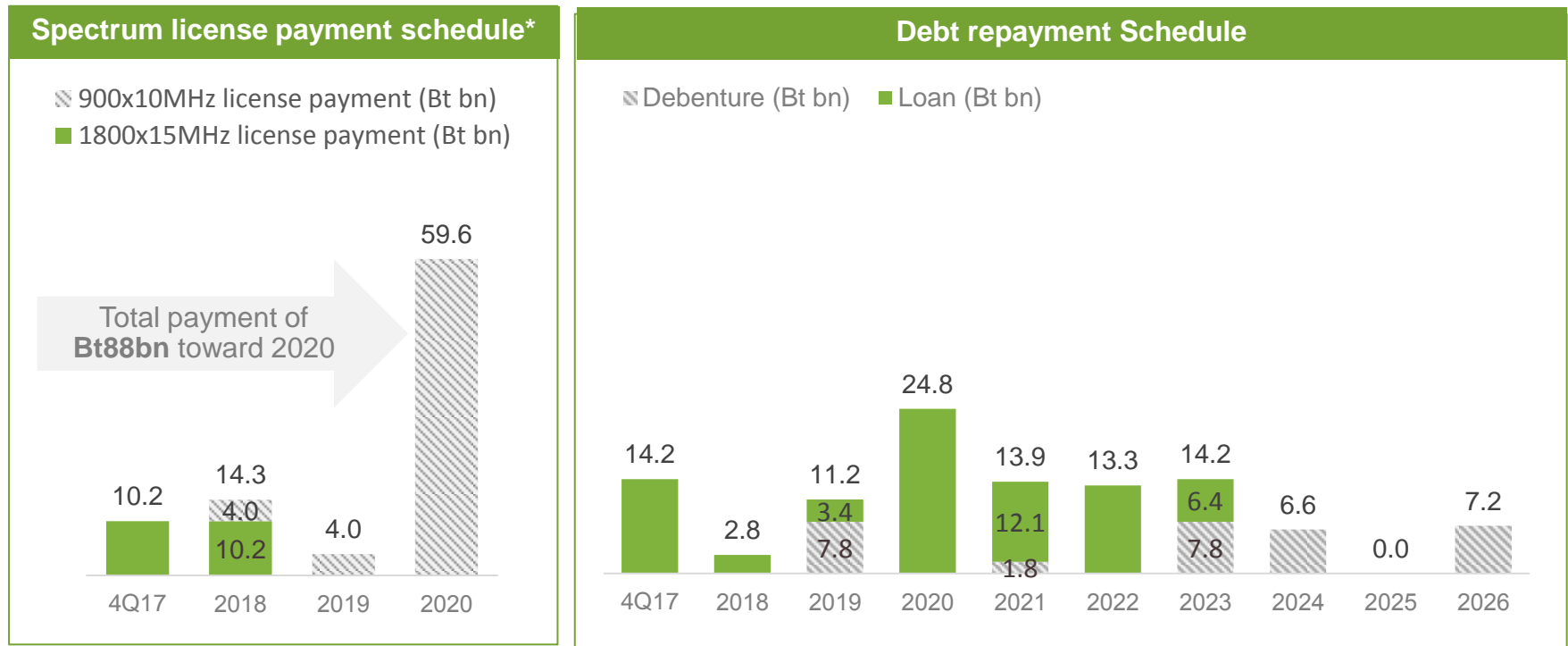


Historical profitability and CAPEX trend



Source: company data

Debt payment and License payment schedule




Note: 1800x15MHz license: the total payment is Bt40,986m for the use of 18 years, expiring in 2033
 900x10MHz license: the total payment is Bt75,654m for the use of 15 years, expiring in 2031

Mobile: Handset discount with monthly plan (1/2)



- Discount on various branded 4G smartphones, focusing on mid- to hi-end segments
- Bundled with monthly plan at committed ARPU from 499Bt to Bt1,099/month
- Require advanced payment credited for monthly charge and subjected to 12 months contract

Bundled handsets



iPhone		Regular Price (Baht)	Discounts 1,500 Baht Pay in Advance 1,000.- Monthly package starts at 699	Discounts 3,000 Baht Pay in Advance 1,500.- Monthly package starts at 899	Discounts 5,000 Baht Pay in Advance 2,500.- Monthly package starts at 1,099
NEW	iPhone 8	64GB	29,000	27,500	26,000
		256GB	35,000	33,500	32,000
NEW	iPhone 8 Plus	64GB	33,000	31,500	30,000
		256GB	39,000	37,500	36,000
SAMSUNG		Regular Price (Baht)	Special Price (Baht)	Pay in Advance (Baht)	AIS Hot Deal Non-Stop Packages
NEW	Galaxy Note8	FREE  Regular Price 599 baht For 6 Months (Value 3,846 Baht)	33,900	30,900	1,500
				26,900	3,000
	Galaxy S8+		30,900	23,900	2,000
				20,900	4,000
	Galaxy S8		27,900	20,900	2,000
				17,900	4,000
	Galaxy S7 edge		23,900	13,500	
NEW	Galaxy J7+		12,900	10,900	1,000
HOT	Galaxy J7 Pro		10,900	7,900	1,500
	Galaxy J7 Prime		8,100	4,900	2,000
	Galaxy J7 Core		6,490	4,290	1,500
AIS LAVA					
	LAVA 4G VoLTE 880		4,490	2,190	
HOT	LAVA 4G VoLTE 870		3,590	990	1,000
	LAVA iris 820		2,690	1,290	

Mobile: Handset discount with monthly plan (2/2)



Bundled price plans

4G Hot Deal Non-Stop Packages

Monthly Fee (Baht)	Internet (Unlimited)			AIS Network Calls (05:00 – 17:00)	All Network Calls (Mins)	WiFi Unlimited	Special Application
	Total	4G/3G	4G				
299	750 MB	750 MB	-	Free Calls 1,000 Mins Per Month	-		 Watch more 10,000 movies for 12 months
399	3 GB	1.5 GB	1.5 GB		50		
499	4 GB	2 GB	2 GB		100		
599	6 GB	3 GB	3 GB		150		
699	8 GB	4 GB	4 GB		200		
899	12 GB	6 GB	6 GB		300		
999	14 GB	7 GB	7 GB		350		
1,099	16 GB	8 GB	8 GB		400		
1,199	18 GB	9 GB	9 GB		500		
1,499	24 GB	12 GB	12 GB		800		
1,899	30 GB	15 GB	15 GB		1,400		

Fixed broadband: Market offerings



Broadband Internet Value Package

Special!
for Extra
Upload

HomeBROADBAND Package

Max Speed Internet (Download/Upload)	Standard Price (Baht/Month) (Exclude VAT)	AIS Postpaid Customer (Baht/Month) (Exclude VAT)
30/10 Mbps	590	531
50/20 Mbps	777	699
75/30 Mbps	888	799
100/40 Mbps	999	899

HomePLUS Package

Broadband Internet with AIS PLAYBOX

Max Speed Internet (Download/Upload)	Standard Price (Baht/Month) (Exclude Vat)	AIS Postpaid Customer (Baht/Month) (Exclude Vat)	AIS Serenade (Baht/Month) (Exclude Vat)	TV, movies, series, cartoons and news from world-class channel with AIS PLAYBOX
30/10 Mbps	690	631	-	Enjoy free 100 + TV channel with vHigh Resolution. Free 12 months
50/20 Mbps	877	799	699	
75/30 Mbps	988	899	-	
100/40 Mbps	1,099	999	899	



Tech	DL/UL speed	Monthly fee (Bt)	Added service
FTTx	30/10	599	TV
	50/20	799	TV +mobile +4G/3G data UL at 4Mbps +WIFI
	100/30	1099	
	200/50	1399	
	300/70	1999	



Tech	DL/UL speed	Monthly fee (Bt)	Added service
VDSL	30/10	590	Cloud box + IPTV + Movie Maxx free for 30 days
FTTx	100/30	700	
	150/50	900	
	200/100	1,200	



Tech	DL/UL speed	Monthly fee (Bt)	Added service
FTTX	30/15	590	Pay extra Bt50-60 for IPTV
	50/20	650	
	100/20	800	
	150/30	990	
	200/80	1,200	

Source: company data as of Nov-17

Distribution Channel

expanding touch points to +400k



AIS Branded Shop

100+ shops



Exclusive branded shop by partner (Telewiz)

450+ shops



AIS Buddy

1,000+ shops



Electronic Distribution Channels

400k+ points



(refill-on-mobile agent)



Auto top-up KIOSK

Modern Trade Outlets

10k+ shops





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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.