

Total Access Communication Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2014	31 December 2013	30 June 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	25.3.1	10,506,168	5,472,409	3,221,130	1,328,344
Trade and other receivables	4	8,438,689	10,350,919	14,085,414	10,914,388
Inventories		1,817,429	1,683,336	1,714,702	1,588,618
Deferred cost of unearned revenue from telephone services		126,657	184,491	126,657	184,465
Other current assets	6	1,836,738	3,413,746	1,138,440	2,544,862
Total current assets		22,725,681	21,104,901	20,286,343	16,560,677
Non-current assets					
Restricted bank deposits	25.3.2	398	398	-	-
Investment in associated company	7	288,145	308,110	50,000	50,000
Investments in subsidiaries	8	-	-	2,018,897	2,018,897
Other Investments	9	16,820	16,820	16,620	16,620
Amount due from related parties	5	431	431	432,538	430,457
Loans to subsidiary	5	-	-	18,000,000	13,000,000
Property, plant and equipment	10	19,660,984	15,120,459	3,153,316	3,535,593
Deferred right to use of equipment	11	45,053,795	50,349,088	28,627,830	32,000,735
Cost of spectrum license		12,068,913	12,514,344	-	-
Concessionary equipment under installation		3,022,897	1,978,734	3,022,897	1,978,734
Deposits and prepayment for purchase and installation of equipment		599,070	80,782	-	-
Other intangible assets		2,201,434	2,222,452	1,038,105	1,259,638
Deferred tax assets	17	790,844	913,756	1,161,510	1,565,759
Goodwill		19,172	19,172	-	-
Other non-current assets	12	423,712	424,383	324,064	343,580
Total non-current assets		84,146,615	83,948,929	57,845,777	56,200,013
Total assets		106,872,296	105,053,830	78,132,120	72,760,690

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

Total Access Communication Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2014	31 December 2013	30 June 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	13	32,416,869	28,189,929	24,306,007	21,149,949
Current portion of long-term loans	14	4,312,360	6,295,920	4,312,360	6,295,920
Current portion of debentures	15	2,000,000	2,000,000	2,000,000	2,000,000
Unearned revenue from telephone service		2,652,202	3,011,207	719,353	959,262
Income tax payable		554,632	1,093,499	414,241	1,018,521
Cost of spectrum license payable		3,312,424	3,243,884	-	-
Other current liabilities		902,647	1,306,064	426,651	999,121
Total current liabilities		46,151,134	45,140,503	32,178,612	32,422,773
Non-current liabilities					
Long-term loans - net of current portion	14	16,000,000	18,164,400	16,000,000	18,164,400
Debentures - net of current portion	15	5,000,000	5,000,000	5,000,000	5,000,000
Provision for long-term employee benefits		314,318	300,850	314,318	300,850
Cost of spectrum license payable		3,166,936	3,104,063	-	-
Deposit guarantee on domestic roaming agreement	5	-	-	5,339,774	1,750,000
Other non-current liabilities		617,596	623,984	616,963	623,555
Total non-current liabilities		25,098,850	27,193,297	27,271,055	25,838,805
Total liabilities		71,249,984	72,333,800	59,449,667	58,261,578
Shareholders' equity					
Share capital					
Registered					
2,372,080,630 ordinary shares of Baht 2 each		4,744,161	4,744,161	4,744,161	4,744,161
Issued and fully paid					
2,367,811,000 ordinary shares of Baht 2 each		4,735,622	4,735,622	4,735,622	4,735,622
Premium on ordinary shares	22	8,116,353	23,543,446	8,116,353	23,543,446
Retained earnings					
Appropriated - statutory reserve	22	223,336	560,058	223,336	560,058
Unappropriated (deficits)		4,902,805	2,221,800	3,960,005	(15,987,151)
		5,126,141	2,781,858	4,183,341	(15,427,093)
Other components of shareholders' equity		17,634,288	1,647,137	1,647,137	1,647,137
Equity attributable to owners of the Company		35,612,404	32,708,063	18,682,453	14,499,112
Non-controlling interest of the subsidiaries		9,908	11,967	-	-
Total shareholders' equity		35,622,312	32,720,030	18,682,453	14,499,112
Total liabilities and shareholders' equity		106,872,296	105,053,830	78,132,120	72,760,690

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

Directors

(Unaudited but reviewed)

Total Access Communication Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 June 2014**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues from sales and services					
Revenue from telephone services		19,035,767	21,226,943	11,237,577	20,828,803
Revenue from sales of telephone sets and starter kits		2,765,156	3,282,468	2,671,859	3,282,467
Other operating income		66,946	39,615	4,958,269	101,609
Total revenues from sales and services		21,867,869	24,549,026	18,867,705	24,212,879
Cost of sales and services					
Cost of telephone services		11,201,783	14,192,399	8,048,730	14,046,265
Cost of sales of telephone sets and starter kits		2,900,252	3,215,284	2,809,955	3,202,460
Total cost of sales and services		14,102,035	17,407,683	10,858,685	17,248,725
Gross profit		7,765,834	7,141,343	8,009,020	6,964,154
Interest income		48,519	53,839	186,662	116,817
Other income		40,369	41,717	45,372	40,321
Profit before expenses		7,854,722	7,236,899	8,241,054	7,121,292
Selling and service expenses		(1,508,330)	(1,005,549)	(926,678)	(940,525)
Administrative expenses		(2,257,953)	(1,984,053)	(2,016,564)	(1,947,089)
Loss on foreign exchange		(52,532)	(134,558)	(67,014)	(82,429)
Total expenses		(3,818,815)	(3,124,160)	(3,010,256)	(2,970,043)
Profit before share of profit from investment in associated company, finance cost and income tax expenses		4,035,907	4,112,739	5,230,798	4,151,249
Share of profit from investment in associated company	7	2,350	11,236	-	-
Profit before finance cost and income tax expenses		4,038,257	4,123,975	5,230,798	4,151,249
Finance cost	16	(355,665)	(341,541)	(283,309)	(272,831)
Profit before income tax expenses		3,682,592	3,782,434	4,947,489	3,878,418
Income tax expenses	17	(732,237)	(846,003)	(975,171)	(840,975)
Profit for the period		2,950,355	2,936,431	3,972,318	3,037,443
Profit attributable to:					
Equity holders of the Company		2,951,478	2,937,152	3,972,318	3,037,443
Non-controlling interests of the subsidiaries		(1,123)	(721)		
		<u>2,950,355</u>	<u>2,936,431</u>		
Earnings per share (Baht)					
18					
Basic earnings per share					
Profit attributable to equity holders of the Company		1.25	1.24	1.68	1.28

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

(Unaudited but reviewed)

Total Access Communication Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Profit for the period	2,950,355	2,936,431	3,972,318	3,037,443
Other comprehensive income	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	2,950,355	2,936,431	3,972,318	3,037,443
Total comprehensive income attributable to:				
Equity holders of the Company	2,951,478	2,937,152	3,972,318	3,037,443
Non-controlling interests of the subsidiaries	(1,123)	(721)		
	2,950,355	2,936,431		

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

Total Access Communication Public Company Limited and its subsidiaries**Income statement****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues from sales and services					
Revenue from telephone services		38,102,206	42,203,564	23,471,831	41,455,516
Revenue from sales of telephone sets and starter kits		6,053,318	6,185,027	5,914,676	6,185,093
Other operating income		154,040	65,113	6,941,155	163,137
Total revenues from sales and services		44,309,564	48,453,704	36,327,662	47,803,746
Cost of sales and services					
Cost of telephone services		22,572,522	27,545,821	17,004,658	27,546,258
Cost of sales of telephone sets and starter kits		6,214,568	6,020,767	6,050,033	6,007,579
Total cost of sales and services		28,787,090	33,566,588	23,054,691	33,553,837
Gross profit		15,522,474	14,887,116	13,272,971	14,249,909
Interest income		80,612	80,910	316,771	206,577
Other income		128,767	80,835	1,872,130	57,275
Profit before expenses		15,731,853	15,048,861	15,461,872	14,513,761
Selling and service expenses		(2,780,423)	(1,781,628)	(1,857,763)	(1,712,710)
Administrative expenses		(4,411,485)	(4,952,069)	(3,986,668)	(4,878,451)
Loss on foreign exchange		(16,629)	(37,881)	(82,200)	(8,865)
Total expenses		(7,208,537)	(6,771,578)	(5,926,631)	(6,600,026)
Profit before share of profit from investment in associated company, finance cost and income tax expenses		8,523,316	8,277,283	9,535,241	7,913,735
Share of profit from investment in associated company	7	5,035	17,000	-	-
Profit before finance cost and income tax expenses		8,528,351	8,294,283	9,535,241	7,913,735
Finance cost	16	(708,425)	(703,441)	(576,998)	(566,057)
Profit before income tax expenses		7,819,926	7,590,842	8,958,243	7,347,678
Income tax expenses	17	(1,565,901)	(1,627,103)	(1,423,159)	(1,543,839)
Profit for the period		6,254,025	5,963,739	7,535,084	5,803,839
Profit attributable to:					
Equity holders of the Company		6,256,084	5,965,094	7,535,084	5,803,839
Non-controlling interests of the subsidiaries		(2,059)	(1,355)		
		6,254,025	5,963,739		
Earnings per share (Baht)	18				
Basic earnings per share					
Profit attributable to equity holders of the Company		2.64	2.52	3.18	2.45

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

(Unaudited but reviewed)

Total Access Communication Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Profit for the period	6,254,025	5,963,739	7,535,084	5,803,839
Other comprehensive income	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	6,254,025	5,963,739	7,535,084	5,803,839
Total comprehensive income attributable to:				
Equity holders of the Company	6,256,084	5,965,094	7,535,084	5,803,839
Non-controlling interests of the subsidiaries	(2,059)	(1,355)		
	6,254,025	5,963,739		

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

Total Access Communication Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
					Other components of equity					
	Issued and		Retained earnings		Capital surplus of			Total equity	Equity attributable	
	paid-up	Premium on	Appropriated		subsidiary			attributable to	to non-controlling	Total
	share capital	ordinary shares	- statutory	Unappropriated	arising as a result of the	Adjustment		shareholders of	interests of	shareholders'
			reserve		Company's purchase of	resulting from		the Company	the subsidiaries	equity
					the subsidiary at a	reduction of legal				
					price lower than	reserve and				
					the net book value	premium on ordinary				
					of the subsidiary	share to offset the	Total other			
					at the	parent company's	components			
					acquisition date	deficits	of equity			
Balance as at 1 January 2013	4,735,622	23,543,446	560,058	4,343,964	1,647,137	-	1,647,137	34,830,227	14,530	34,844,757
Dividend paid (Note 21)	-	-	-	(6,543,514)	-	-	-	(6,543,514)	-	(6,543,514)
Total comprehensive income for the period	-	-	-	5,965,094	-	-	-	5,965,094	(1,355)	5,963,739
Balance as at 30 June 2013	4,735,622	23,543,446	560,058	3,765,544	1,647,137	-	1,647,137	34,251,807	13,175	34,264,982
Balance as at 31 December 2013	4,735,622	23,543,446	560,058	2,221,800	1,647,137	-	1,647,137	32,708,063	11,967	32,720,030
Total comprehensive income for the period	-	-	-	6,256,084	-	-	-	6,256,084	(2,059)	6,254,025
Dividend paid (Note 21)	-	-	-	(3,351,743)	-	-	-	(3,351,743)	-	(3,351,743)
Reduction of legal reserve and premium										
on ordinary shares to offset the deficits (Note 22)	-	(15,427,093)	(560,058)	-	-	15,987,151	15,987,151	-	-	-
Transfer unappropriated retained earnings to										
statutory reserve	-	-	223,336	(223,336)	-	-	-	-	-	-
Balance as at 30 June 2014	4,735,622	8,116,353	223,336	4,902,805	1,647,137	15,987,151	17,634,288	35,612,404	9,908	35,622,312

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

(Unaudited but reviewed)

Total Access Communication Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	Separate financial statements				Other components of equity	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			
			Appropriated	Unappropriated	Capital surplus of subsidiary arising as a result of the Company's purchase of the subsidiary at a price lower than the net book value of the subsidiary at the acquisition date	
			- statutory reserve			
Balance as at 1 January 2013	4,735,622	23,543,446	560,058	3,835,766	1,647,137	34,322,029
Dividend paid (Note 21)	-	-	-	(6,543,514)	-	(6,543,514)
Total comprehensive income for the period	-	-	-	5,803,839	-	5,803,839
Balance as at 30 June 2013	<u>4,735,622</u>	<u>23,543,446</u>	<u>560,058</u>	<u>3,096,091</u>	<u>1,647,137</u>	<u>33,582,354</u>
Balance as at 31 December 2013	4,735,622	23,543,446	560,058	(15,987,151)	1,647,137	14,499,112
Total comprehensive income for the period	-	-	-	7,535,084	-	7,535,084
Dividend paid (Note 21)	-	-	-	(3,351,743)	-	(3,351,743)
Reduction of legal reserve and premium						
on ordinary shares to offset the deficits (Note 22)	-	(15,427,093)	(560,058)	15,987,151	-	-
Transfer unappropriated retained earnings to statutory reserve	-	-	223,336	(223,336)	-	-
Balance as at 30 June 2014	<u>4,735,622</u>	<u>8,116,353</u>	<u>223,336</u>	<u>3,960,005</u>	<u>1,647,137</u>	<u>18,682,453</u>
	-	-	-	-	-	-

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

(Unaudited but reviewed)

Total Access Communication Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash flows from operating activities				
Profit before income tax expenses	7,819,926	7,590,842	8,958,243	7,347,678
Adjustments to reconcile profit before tax to cash provided by (paid from) operating activities:				
Share of income from investment in associated company	(5,035)	(17,000)	-	-
Dividend received from associated company	-	-	(25,000)	(18,750)
Dividend received from subsidiaries	-	-	(1,809,372)	-
Dividend received from other investments	(5,175)	(275)	(5,175)	(275)
Allowance for inventory obsolescence (reversal)	(40,621)	13,816	(40,642)	13,816
Allowance for doubtful accounts - trade and other receivables (reversal)	82,462	217,750	(89,125)	216,648
Depreciation and amortisation (Note 19)	7,781,105	6,409,535	4,273,489	6,328,993
Write-off of building and equipment	3,257	663	-	663
Write-off of other intangible assets	332	305,696	-	305,696
(Gain) loss from disposal of equipment	(57,792)	(15,975)	(4,712)	3,580
Provision for asset retirement obligation	3,388	3,060	3,379	3,060
Provision for long-term employee benefits	21,443	27,215	21,443	27,215
Finance costs	696,027	678,395	564,609	541,011
Income from operating activities before changes in operating assets and liabilities	16,299,317	15,213,722	11,847,137	14,769,335
Decrease (increase) in operating assets				
Trade and other receivables	1,829,769	142,099	(2,798,301)	303,474
Inventories	(93,473)	(100,662)	(85,441)	(78,667)
Other current assets	1,541,298	1,036,739	1,464,230	1,318,515
Other non-current assets	(9,494)	16,493	(412)	17,209
Increase (decrease) in operating liabilities				
Trade and other payables	5,839,172	10,315,265	3,664,924	9,496,631
Other current liabilities	(762,420)	(796,701)	(812,379)	(1,924,408)
Deposit guarantee on domestic roaming agreement	-	-	3,589,774	-
Other non-current liabilities	(17,752)	(1,978)	(17,946)	(1,966)
Cash flows from operating activities	24,626,417	25,824,977	16,851,586	23,900,123
Cash paid for interest expenses	(581,773)	(555,207)	(580,840)	(554,682)
Cash paid for corporate income tax	(1,888,311)	(2,086,939)	(1,623,189)	(1,956,476)
Tax refund	-	150,146	-	150,146
Net cash flows from operating activities	22,156,333	23,332,977	14,647,557	21,539,111

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

Total Access Communication Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash flows from investing activities				
Decrease in current investments	-	150,000	-	150,000
Decrease in other investments	-	-	-	200
Dividend received from associated company	25,000	18,750	25,000	18,750
Dividend received from subsidiaries	-	-	1,809,372	-
Dividend received from other investments	5,175	275	5,175	275
Increase in amounts due from related companies	-	-	(2,081)	-
Increase in loans to subsidiary	-	-	(5,000,000)	(1,627,500)
Acquisition of building and equipment	(6,983,417)	(888,745)	(163,363)	(431,566)
Proceeds from sales of building and equipment	83,899	30,500	9,050	674
Acquisition of deferred right to use of equipment and equipment under installation	(1,865,565)	(2,586,827)	(1,864,582)	(2,586,327)
Decrease in deposits and prepayment for purchase and installation of deferred right to use of equipment	-	54,603	-	54,603
Increase in deposits and prepayment for purchase and installation of equipment	(527,152)	(1,310,986)	-	-
Increase in other intangible assets	(360,811)	(631,672)	(73,639)	(247,512)
Net cash flows used in investing activities	<u>(9,622,871)</u>	<u>(5,164,102)</u>	<u>(5,255,068)</u>	<u>(4,668,403)</u>
Cash flows from financing activities				
Repayment of long-term loan	(4,147,960)	(6,660,379)	(4,147,960)	(6,660,379)
Dividend paid	(3,351,743)	(6,543,514)	(3,351,743)	(6,543,514)
Net cash flows used in financing activities	<u>(7,499,703)</u>	<u>(13,203,893)</u>	<u>(7,499,703)</u>	<u>(13,203,893)</u>
Net increase in cash and cash equivalents	5,033,759	4,964,982	1,892,786	3,666,815
Cash and cash equivalents at beginning of period	5,472,409	4,554,660	1,328,344	3,313,328
Cash and cash equivalents at end of period	<u>10,506,168</u>	<u>9,519,642</u>	<u>3,221,130</u>	<u>6,980,143</u>
	0		0	

Supplemental cash flow information:

Non cash transactions:

Accounts payable for purchase of deferred right to use

of equipment and equipment under installation	1,804,740	4,099,534	1,804,740	4,099,534
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Accounts payable for purchase of equipment	5,078,140	1,518,478	-	-
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Cost of spectrum license payable	131,414	136,860	-	-
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The accompanying notes are an integral part of the financial statements.