



บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

**BEC WORLD PUBLIC COMPANY LIMITED**

May 14, 2014

To: President,  
Stock Exchange of Thailand.

Re: Submission of Financial Statements for the 1<sup>st</sup> Quarter of this Year,

Enclosures: Financial Statements for the 1<sup>st</sup> Quarter of this Year  
and the relevant management discussion and analysis.

We are sending you herewith the enclosed financial statements of the company and the consolidated statement of the group for the 1<sup>st</sup> quarter of this year ended March 31, 2014, which were reviewed by the Auditor and our Audit Committee has already reviewed them.

BEC World group was able to made its “profit of the period” for its shareholders in the 1<sup>st</sup> quarter of this year at Baht1,148.5 million, Baht244.3 million less quarter-on-quarter, as the group was generated lesser “advertising income”, Baht298.0 million lower, and Baht50.4 million lesser “product sales” and “copyrights and other services income” even we obtained higher gross margin from “concerts and shows” business and having lower “expenses” than those higher than normal, as usual, in the last quarter of the prior year; but not enough to cover the drops of revenue thus cause a quarter-on-quarter drop of 17.5 percent as mentioned. When compares with the same quarter of the prior year, the “profit” is also lower year-on-year by 16.8 percent or Baht 232.6 million less, as we had lesser revenues, even our “advertising income” is just 1.1 percent less(Baht38.9 million lower), and our “costs and expenses” are Baht257.4 million higher year-on-year, pulling our profit down as discussed further in the attached management discussion and analysis.

Please be informed accordingly.

Sincerely Yours,

(Chatchai Thiamtong)

Vice President – Finance

C.C.: Ms.Ratana Maleenont – BEC World



ทะเบียนเลขที่ 0107538000673

บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

**BEC WORLD PUBLIC COMPANY LIMITED**

BEC World Plc.

Consolidated Financial Statements for the 1<sup>st</sup> Quarter of the year 2014

Management Discussion and Analysis:

Business Environment:

Nielsen Media Research (NMR) reported that advertising expenditure through television (TV-Adex) during the first quarter of 2014 dropped 10.4 percent when compares with the prior quarter. This is partially normal, as it is a comparison between the normally low-season 1<sup>st</sup> quarter with the high-season 4<sup>th</sup> quarter; but it's dropped wider than normal as consequence of worsen macroeconomic conditions and the current politic problems which pulled the demand down year-on-year for 4 consecutive months since December last year. However NMR also reported that the demand has recovered sharply month-on-month for the last 2 months to the end of the first quarter, but for the whole quarter it's still lower than that of this quarter last year by 6.9 percent. Even the year-on-year drop of TV-Adex is about the same as the industry, but TV is much better than others mediums quarter-on-quarter as NMR reported that during the first quarter of 2014 the advertising industry is 6.8 percent lower year-on-year but a lot lower quarter-on-quarter at 16.1 percent.

Structure Changes:

During the first quarter of 2014, the structure of BEC World group was unchanged.

Operating Results:

Due to the accounting policy for investments, the reported profit as shown in the separate statements is difference from that shown in the consolidated statements. This MD&A will discuss those numbers shown in the consolidated statements in order to avoid any confusion.

BEC World group was able to made its "profit of the period" for its shareholders in the 1<sup>st</sup> quarter of this year at Baht1,148.5 million, Baht244.3 million less quarter-on-quarter, as the group was generated lesser "advertising income", Baht298.0 million lower, and Baht50.4 million lesser "product sales" and "copyrights and other services income" even we obtained higher gross margin from "concerts and shows" business and having lower "expenses" than those higher than normal, as usual, in the last quarter of the prior year; but not enough to cover the drops of revenue thus cause a quarter-on-quarter drop of 17.5 percent as mentioned. When compares with the same quarter of the prior year, the "profit" is also lower year-on-year by 16.8 percent or Baht 232.6 million less, as we had lesser revenues, even our "advertising income" is just 1.1 percent less(Baht38.9 million lower), and our "costs and expenses" are Baht257.4 million higher year-on-year, pulling our profit down as mentioned.



ทะเบียนเลขที่ 0107538000673

บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

**BEC WORLD PUBLIC COMPANY LIMITED**

Revenues:

“Advertising Income” of BEC World group in the first quarter of this year at Baht3,508.1 million, 7.8 percent lower than that of the prior quarter or Baht298.0 million less; and it is just 1.1 percent lower or Baht38.9 million fewer year-on-year caused by lower demands as consequence of worsen macroeconomic conditions and the current politic problems which started in the second half of the prior year; however the BEC World group is gaining market share as we are performing better than the industry. The margin of our “concerts and shows” businesses is better both quarter-on-quarter and year-on-year. But our “copyrights and other services income” decreased both quarter-on-quarter and year-on-year in line with the worsen macroeconomic conditions.

Costs and Operating Expenses:

Our “expenses” lowered down quarter-on-quarter when compares with the usual higher than normal yearend quarter, but “our costs and expenses” increased as usual year-on-year as we stretched our local drama further since last August and we also adding more local contents replacing imported contents; we also having additional costs and expenses from our business expansion programme in recruiting more people and invested further in equipment, as well.

Financial positions:

Our total assets increased when compared with balance at the end of the prior year as a resultant of our business expansion programme; despite the slight drop of our current assets from lower “accounts receivable” decreased in line with the drop of our revenues. Our “liabilities” increased as we include “dividend payable” when we declared prior year final dividend, and also because “corporate income tax payable” is accrued in line with the profit. Our “shareholders’ equity” decreased because of the prior year final dividend declaration as mentioned. However, BEC World’s financial positions are strong as usual.