



บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

BEC WORLD PUBLIC COMPANY LIMITED

August 8, 2013

To: President,
Stock Exchange of Thailand

Re: Submission of Financial Statements for the 2nd Quarter of this Year,

Enclosures: Financial Statements for the 2nd 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 2nd quarter of this year ended June 30, 2013, which were reviewed by the Auditor and our Audit Committee has already reviewed them.

In the 2nd quarter of this year, 2013, BEC World group was able to make another record “profit” for the quarter once again as its net profit for its shareholders for the quarter is Baht1,421.6 million, i.e. Baht40.5 million more than that of the prior quarter which is 2.9% higher as the group had higher “advertising income”, having higher margin from “concert and shows” and despite having higher “costs and expenses” but the increases of “cost and expenses” are still smaller than growth of our income. When compare this quarter with the same quarter of the prior year, net profit for our shareholders is also Baht117.5 million higher, i.e. 14.3% more; as we had higher revenue and our operating margin expanded because we were also able to keep the increases of “costs and expenses” lower than the increases of our revenues as usual, and we also benefitted from our share of associate’s profit which started its business from the beginning of the second half of the prior year and from the reduction of the corporate income tax rate from 23 to 20 percent started from the beginning of the year, 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



บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

BEC WORLD PUBLIC COMPANY LIMITED

BEC World Plc.

Consolidated Financial Statements for the 2nd Quarter of the year 2013

Management Discussion and Analysis:

Business Environment:

Nielsen Media Research (NMR) reported that the TV-Adex - advertising expenditure through television - during the second quarter of 2013 is higher than that of the previous quarter by 6.8%; partly is a resultant of the growth momentum continued for many months and partly because the second quarter is normally the high-season whereas the first quarter of the year is normally the low-season. However, as growth momentum has already been built up continuously for quite some time thus the utilization of industry's commercial airtime might have reached the ceiling caused the growth from the prior year base to be higher only at 3.4%; even it is lower than that attained in the prior quarter which the industry benefitted from low base as it just recovered from flood but it is quite good growth rate considering that there were the EURO 2012 Football matches during the second half of last June. This TV-Adex growth is better than that attained by the whole advertising industry once again for another quarter, even after the drastic downward adjustments made by Nielsen on prior year spending through "cinema"; indicates clearly the efficiency, effectiveness as well as the popularity of TV within the industry.

Structure Changes:

During the second quarter of 2013, 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.



ทะเบียนเลขที่ 0107538000673

บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

BEC WORLD PUBLIC COMPANY LIMITED

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Revenues:

Our “advertising income” in the second quarter of this year is at the record high once again at Baht3,761.9 million, higher quarter-on-quarter as we benefitted from growth momentum of the industry as the second quarter is normally a “high-season” whereas the first quarter of the year is normally the low-season. The increase quarter-on-quarter is 6.1% higher, i.e. Baht214.9 million more. It is also higher year-on-year by 6.9%, i.e. Baht241.2 million more despite the coverage of the EURO 2012 Football matches during the second half of June in the prior year, obtained from the increases of selling price of certain slots, from reduction of complimentary airtimes which were re-developed and sell at higher price and from extension of the length of certain slots which have higher selling price as well. The “concerts and shows” revenue and margin are also higher quarter-on-quarter partially derived from the “Phantom of The Opera”, but they are slightly lower year-on-year because of the “Lady Gaga” show in the prior year. Our “copyrights and services income” also decreased slightly both quarter-on-quarter and year-on-year because BEC World was able to recognize a portion of “contents-licensing-revenue” from overseas during those 2 quarters but not during this quarter, but it was partly off-set from increased ticketing-services-revenue in line with the improved environments.



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Costs and Operating Expenses:

Our “costs of services” as well as “operating expenses” increased quarter-on-quarter as well as year-on-year as we expanded our business and extended the length of certain slots which have higher costs (and margin), as certain big anniversary events were postponed from the prior quarter to this quarter, as we have more “costs and expenses” from “Music Business” which were added since the beginning of prior year’s fourth quarter, but the increase was not that big as it is partially off-set by those related to the coverage of the EURO 2012 Football matches during the prior year. Anyhow, we were able to keep the increases of “costs and expenses” lower than the increases of our revenues as usual according to the nature of fixed operating costs of our business.

Financial positions:

Our total assets increased slightly when compared with balances at the end of the prior year, whereas our current assets which comprise mostly of cash, cash-equivalents, short term investments and trade-account-receivables balances are higher in line with the higher profit and revenues despite the payment of our prior year’s final dividends and corporate income tax during the quarter; while our non-current assets especially the “property, plant and equipment”, “deferred right to use property”, “deferred pictures rental, picture products, plays and copyright charges” and “prepaid play production” are slightly higher despite depreciation or charges as the results of our continuing investments. Our liability increased as “payables” and “accrued expenses” are higher in line with our investments and higher volume of our usual business. Our shareholders’ equity increased in line with the higher profit despite the prior year final dividend payment as mentioned. BEC World’s financial positions are strong as usual.