



ทะเบียนเลขที่ 0107538000673

บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

BEC WORLD PUBLIC COMPANY LIMITED

November 12, 2015

To: President,
Stock Exchange of Thailand.

Re: Submission of Financial Statements for the 3rd Quarter of this Year,

Enclosures: Financial Statements for the 3rd Quarter of this Year and the relevant management discussion and analysis with the reasons of the changes more than 20%.

We are sending you herewith the enclosed financial statements of the company and the consolidated statement of the group for the 3rd quarter of this year ended September 30, 2015, which were reviewed by the Auditor and our Audit Committee has already reviewed them.

In the 3rd quarter of this year, 2015, BEC World group was able to make Baht815.5 million as its net profit for its shareholders for the quarter, i.e. Baht65.7 million more than that of the prior quarter even the group had Baht147.4 million lower “advertising income”, but having lower “costs and expenses” and also have higher profit from our events business thus pushed the profit up as mentioned. When compares this quarter with the same quarter of the prior year, the net profit for our shareholders is Baht267.5 million lower, i.e. 24.7% less; as we made 10.0% less “advertising income” but having higher “costs and expenses” from annual rate adjustments and from introducing the 2 new additional DTTV channels since late April last year, which pulled the profit of the group down a lot 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 3rd Quarter of the year 2015

Management Discussion and Analysis:

Business Environment:

Since August this year, Nielsen Media Research (NMR) adjusted advertising expenditure (Adex) through those new digital terrestrial channels (DTTV) down, restated the comparing prior year numbers and also posted an important note that the ADEX shown on DTTV includes all complimentary spots and all spots have rate card applied, as well. NMR reported that for the first 9 months of this year, the ADEX on DTTV is almost 3 times higher than the prior year (which were just started in April), pushed the total industry to be 6% bigger year-on-year. Nielsen also reports that Adex through traditional analog terrestrial TV channels (which holds almost half of the market share) is 10% lower year-on-year and for the 3rd quarter this part is 3% decreased quarter-on-quarter and 12% lower than the same quarter of the prior year partly because the 2nd quarter is normally the high-season whereas the 3rd quarter of the year is normally the low-season and partly in line with the current softness of the market because of the macro economy.

Structure Changes:

During the 3rd quarter of 2015, the structure of BEC World group is 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.

In the 3rd quarter of this year, 2015, BEC World group was able to make Baht815.5 million as its net profit for its shareholders for the quarter, i.e. Baht65.7 million more than that of the prior quarter even the group had Baht147.4 million lower “advertising income”, but having lower “costs and expenses” and also have higher profit from our events business thus pushed the profit up as mentioned. When compares this quarter with the same quarter of the prior year, the net profit for our shareholders is Baht267.5 million lower, i.e. 24.7% less; as we made 10.0% less “advertising income” but having higher “costs and expenses” from annual rate adjustments and from introducing the 2 new additional DTTV channels since late April last year, which pulled the profit of the group down a lot as mentioned.



ทะเบียนเลขที่ 0107538000673

บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

BEC WORLD PUBLIC COMPANY LIMITED

Revenues:

Our “advertising income” in the 3rd quarter of this year is at Baht3,564.2 million, Baht147.4 million lower quarter-on-quarter in line with the change of the seasons as the second quarter is normally a “high-season” whereas the 3rd quarter is normally the low-season. The quarter-on-quarter decrease is 4.0% due mainly from lower number of minutes sold. It is also lowered year-on-year by 10.0%, i.e. Baht397.4 million less despite having additional revenue from the 2 more new DTTV channels, which were started since late April last year, because of the softness of demand in line with the market environment which caused the reduction of spending by the many small-size advertisers. Our revenues from organizing “concerts and shows” decreased both quarter-on-quarter and year-on-year as we had moved the international concerts business to our associated company, Live Nation BEC-Tero Entertainment, but the gross margin improved; and these events also helped push our “copyrights and services income” up both quarter-on-quarter and year-on-year, as well on top the higher royalty from selling our contents to overseas markets.

Costs and Operating Expenses:

Our “costs of services” and “operating expenses” decreased quarter-on-quarter due to lower contents’ costs and the special projects during the 2nd quarter but increased slightly year-on-year as resultants of annual rate adjustments and the new investments in our business expansion programmes, both from the 2 additional channels on digital terrestrial TV system which started in April last year and the original channel which we continue introducing new higher costs programmes and having live coverage of many more sport events but partly off-set by the drop of EPL coverage this year. The increases of costs year-on-year are mainly carrying fees charged by network providers in line with the expanded coverage of DTTV.

Financial positions:

Our total assets decreased when compared with balance at the end of the prior year as our “cash, cash-equivalent and short-term investments” decreased after we paid the second installment of the DTTV license fees during this second quarter, which also reduced our non-current “liabilities” but our liabilities are still about the same as we had taken a short-term loan in the quarter to cover our interim dividend payment. Our “shareholders’ equity” decreased in line with the lowered down profit as mentioned. However, BEC World’s financial positions are strong as usual.