

(Translation)

Ref.: TRUE-SEC 024/2560

15th May 2017

The President of the Stock Exchange of Thailand
The Stock Exchange of Thailand

Subject: Submission of the Interim Financial Information for Q1/2017

- Enclosure:
1. A Set of the Reviewed Interim Financial Information for Q1/2017
(Thai / English)
 2. A Set of the Management's Discussion and Analysis Bulletin for Q1/2017
(Thai / English)

True Corporation Public Company Limited (the "Company") would like to submit its reviewed interim consolidated and separate financial information for the first quarter ending 31st March 2017 to the Stock Exchange of Thailand.

The Company reported a consolidated net loss to equity holders of the Company of Baht 1,151.59 million for the first quarter of the Year 2017, representing a change of greater than 20 percent compared with the net results of the same period in the last year. Please see further details in the Management's Discussion and Analysis Bulletin for Q1/2017 as attached herewith.

Please be informed accordingly.

Respectfully yours,

- Signature -

Mr. William Harris
Group Chief Financial Officer

Management's Discussion and Analysis

Overview

True Group delivered another solid performance in the first quarter of 2017 with EBITDA growth of nearly 30% YoY and EBITDA margin increasing to 32% due to strong revenue growth and improved operating leverage. This was primarily driven by its relentless efforts in delivering superior product and service quality, adding more value offerings to consumers through convergence and privilege programs, as well as strengthening sales and distribution channels throughout the country.

The Group's cellular business led the growth with service revenue surging 24.3% YoY, significantly outgrowing the industry while securing the No.2 position both in terms of revenue and subscriber base. TrueMove H recorded 1.2 million net adds during the first quarter, lifted by ongoing success of its 4G and device-bundling campaigns featuring its comparative advantage on Carrier Aggregation. This drove TrueMove H's total subscriber base to 25.8 million, of which 6.3 million were postpaid and 19.5 million were prepaid subscribers, with a blended ARPU of Baht 207 in 1Q17. As a result, TrueMove H ended the first quarter with value and subscriber market shares increasing to 25.8% and 28.4%, respectively. These solid results were achieved despite competitive intensity where operators highlighted network quality and speeds particularly through device campaigns with unlimited data offerings to push postpaid and 4G subscriptions while prepaid subsidies were more targeted.

TrueOnline sustained its broadband leadership with the most stable and fastest Internet speed employing advanced fiber technology delivered to households across the country. Its broadband business continued to deliver solid performance both in terms of revenue and subscriber growth despite competition as all operators retained focus on speed and technology upgrades. A further expansion of the Group's fiber broadband offerings together with the valued convergence campaign "Speedy Internet, Popular Channels & High-Definition TV", received strong market response. This pushed TrueOnline's broadband subscriber base up by approximately 114k to reach 2.9 million with an ARPU of 600 Baht and consumer broadband revenue to grow by 14% YoY in 1Q17.

TrueVisions remains committed to enhancing its offerings through a large selection of high-quality content while developing its own-produced channels to match Thai consumers' preferences. TrueVisions' customer base continued to grow to more than 4 million at the end of 1Q17, driven mainly by more than 151,000 quarterly net adds of its paying subscriber base and an ARPU of Baht 317. Specialized sales teams have been put in place to promote the Group's full range of premium content to further grow revenue and paying subscriber base.

At the same time, True Group continued to build on the strength of its convergence platform and grew its postpaid convergence bundled subscriptions by 24% from the previous year to more than 2 million households. This ultimately affirms True's prime position as Thailand's fully-integrated, nationwide telecom operator that can deliver maximal value to customers.

Remark: EBITDA margin refers to margin on service revenue excluding contribution from product sales.

True Group reported a consolidated net loss to shareholders of the parent company of Baht 1,151.6 million in 1Q17, representing a change of greater than 20% YoY, which is summarized as below:

True Group's **consolidated service revenue** grew 13.7% YoY to Baht 23.7 billion in 1Q17 largely due to an exceptional growth of the cellular business whose service revenue surged 24.3% YoY while strong response to the fiber broadband campaigns drove consumer broadband revenue up 14% from a year earlier. This solid revenue growth, capitalizing on incremental scale, fuelled **EBITDA** growth of 29.5% YoY to Baht 7.3 billion.

Costs related to enhancing network quality and coverage throughout the country for both cellular and fixed broadband businesses, service expansion and spectrum licenses amortization, however, pressured the Group's bottom line to record a **net loss of the parent company** totaling 1,151.6 million in 1Q17.

Consolidated Results of Operations - Normalized Basis

(Baht in millions unless otherwise indicated)	1Q17	4Q16 (Restated)	1Q16 (Restated)	% Change	
				Q-o-Q	Y-o-Y
Revenues					
Revenues from providing services	28,763	28,120	24,718	2.3	16.4
- Interconnection revenue	1,170	1,382	1,312	(15.3)	(10.8)
- Network rental revenue	3,928	3,939	2,589	(0.3)	51.7
- Service revenue	23,665	22,800	20,817	3.8	13.7
Revenues from product sales	3,693	6,039	4,296	(38.8)	(14.0)
Total revenues	32,457	34,159	29,014	(5.0)	11.9
Operating expenses					
Total cost of providing services	21,069	19,495	17,847	8.1	18.1
Regulatory costs	1,057	273	1,013	287.6	4.4
Interconnection cost	1,222	1,454	1,534	(15.9)	(20.3)
Cost of providing services exclude IC	13,237	13,725	11,399	(3.6)	16.1
Depreciation and amortization	5,553	4,043	3,901	37.4	42.4
Cost of sales	3,856	5,870	4,385	(34.3)	(12.1)
Selling and administrative expenses	8,167	8,548	6,546	(4.4)	24.8
Depreciation and amortization	2,408	2,367	1,520	1.7	58.4
Others	5,759	6,180	5,025	(6.8)	14.6
Total operating expenses	33,092	33,912	28,777	(2.4)	15.0
EBITDA	7,326	6,657	5,657	10.0	29.5
Depreciation and amortization	(7,962)	(6,410)	(5,421)	24.2	46.9
Operating profit	(636)	247	236	NM	NM
Interest income	127	145	42	(12.4)	202.7
Interest expense	(1,442)	(1,287)	(1,099)	12.1	31.2
Other financial fees	(30)	(39)	(12)	(23.4)	140.1
Financial cost related to license	(597)	(598)	(136)	(0.0)	338.3
Income tax (expense) revenue	(538)	(390)	(277)	37.9	93.9
Current tax	(62)	124	(304)	NM	(79.5)
Deferred income tax	(475)	(514)	27	(7.5)	NM
Share of results in subsidiaries and associates	1,796	479	3,299	274.9	(45.6)
(Income) loss attributable to non-controlling interests	(6)	11	11	NM	NM
Foreign exchange gain (loss)	(384)	354	(179)	NM	(114.7)
Other (expense) income	558	(1,276)	277	NM	101.4
Net profit (loss) to equity holders of the Company	(1,152)	(2,353)	2,162	51.1	NM
Non-controlling interests	6	(11)	(11)	NM	NM
Net profit (loss) for the year	(1,145)	(2,364)	2,150	51.5	NM

Remark: 1Q17 other (expense) income partly comprised the reversal of the call option provision related to the HSPA agreement as the counter party indicated its intention not to exercise the option.

Referring to the auditor's opinion regarding uncertainties on the outstanding litigations and commercial agreements of which details are not finalized (see more detail in the note to financial statements sections 25.3 and 26), the ultimate outcomes cannot be determined at present and management strongly believes that they will not have a material impact upon the Group's financial performance or operations.

CONSOLIDATED RESULTS OF OPERATIONS

- True Group's **consolidated service revenue** increased 3.8% QoQ and 13.7% YoY to Baht 23.7 billion due to significant subscriber growth and accelerating demand for the Group's wired and wireless broadband services.
 - **TrueMove H's cellular service revenue** expanded 4.9% QoQ and 24.3% YoY to Baht 16.3 billion in 1Q17, amid 0.5-percent QoQ contraction and 1.2-percent YoY growth of the other major mobile players combined. The key driver remained **non-voice revenue** which grew 34.1% YoY and 6.6% QoQ to Baht 10.0 billion, representing 61% of the Group's cellular service revenue, given higher mobile Internet usage for both postpaid and prepaid users.
 - **Voice revenue** was Baht 5.3 billion, increasing 7.2% YoY on TrueMove H's penetration into the mass postpaid and prepaid segments but softening 1.7% QoQ following consumers' rising trend towards data usage.
 - **Revenue from international roaming and other services** increased 29.0% QoQ and 38.8% YoY to Baht 1.0 billion, supported by higher contributions from inbound roaming and international calling traffic to TrueMove H's customers.
 - **TrueOnline's service revenue** was Baht 7.0 billion, flat (+0.8%) YoY while increasing 3.2% QoQ due mainly to strong growth of consumer broadband revenue while revenue from **traditional voice services** continued to decline to Baht 900 million as consumer behavior has shifted towards mobile usage and online communication.
 - **Revenues from Broadband, Internet and Business Data Service** increased 4% QoQ, YoY to Baht 5.5 billion largely due to continued solid growth of consumer broadband revenue, leveraging on the Group's expanded fiber footprint in the BMA and upcountry areas as well as its popular convergence packages. Business data service, however, was pressured by the 2G network shutdown in the third quarter of last year; excluding this, revenues from Broadband, Internet and Business Data Service grew 7% YoY.
 - **TrueVisions' service revenue** was Baht 3.1 billion, increasing 3.0% QoQ mainly due to advertising revenue growth and 2.9% YoY following higher subscription and installation revenues.
 - **Subscription and installation revenue** softened 2.2% QoQ but increased 7.6% YoY to Baht 2.1 billion, representing 67% of TrueVisions' service revenue, underpinned by strong momentum of the Group's convergence propositions and growing subscriptions to the mass-tiered packages.
 - **Advertising revenue** was flat YoY but grew 37% QoQ to Baht 434 million in line with the industry's trend.
 - **Music Entertainment and other revenues** were Baht 600 million, increasing 3.4% QoQ but decreasing 8.6% from a high base in the first quarter of last year, which held several major events including Girls Generation concert and Golf Tour Thailand Classic 2016.

- **Product sales** were Baht 3.7 billion, decreasing 38.8% QoQ on seasonality with the launch of the new iPhone models in the previous quarter and 14.0% YoY following valued-driven device-bundling campaigns and a greater selection of affordable smart devices.
- **Regulatory cost** increased 4.4% from the previous year to Baht 1.1 billion due to solid growth of the cellular service revenue while revenue sharing related to the traditional fixed-line phone service continued to decline.
- **Core operating expense** (comprising cost of providing services excl. IC and other S&A) declined 4.6% QoQ on lower marketing and advertising expenses but increased 15.7% YoY to Baht 19.0 billion due to incremental expenses related to network, content and personnel.
- **EBITDA** improved 10.0% QoQ and 29.5% YoY to Baht 7.3 billion following service revenue growth given the Group's higher operating leverage. Lower core operating expense also drove EBITDA up from the previous quarter.
- **Depreciation and amortization expenses** increased 24.2% QoQ and 46.9% YoY to Baht 8.0 billion as a result of continued network and service expansion nationwide as well as the spectrum licenses amortization.
- **Interest expense** was Baht 1.4 billion, increasing on higher debt level to support business expansion including working capital requirements.
- **Income tax expense** increased from the same period last year to Baht 538 million due mainly to a reversal of provision for contingent liability.
- True Group reported a **net loss to shareholders of the parent company** totaling Baht 1.15 billion in 1Q17.

Normalized Revenue Profile

(Baht in millions unless otherwise indicated)	Consolidated Revenues (Before Intersegment Eliminations)							
	1Q17		4Q16		1Q16		% Change	
	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	Revenue	% of revenue after eliminations	QoQ	YoY
TrueVisions	3,094		3,003		3,049		3.0	1.5
Service revenue	3,092		3,002		3,005		3.0	2.9
- Subscription and installation	2,059		2,105		1,913		(2.2)	7.6
- Music entertainment & others	600		580		656		3.4	(8.6)
- Advertising	434		317		436		37.0	(0.5)
Product sales	2		2		44		10.8	(96.0)
Intersegment elimination	(673)		(602)		(581)		11.9	15.9
TrueVisions after elimination	2,421	7.5%	2,401	7.0%	2,468	8.5%	0.8	(1.9)
TrueMove H	24,995		26,777		21,101		(6.7)	18.5
Service revenue	16,329		15,565		13,141		4.9	24.3
- Voice	5,295		5,386		4,942		(1.7)	7.2
- Non-Voice	9,997		9,374		7,452		6.6	34.1
- IR and others	1,037		804		747		29.0	38.8
Network rental revenue & IC	4,989		5,211		3,791		(4.3)	31.6
Product sales	3,677		6,000		4,168		(38.7)	(11.8)
Intersegment elimination	(824)		(786)		(326)		4.9	153.0
TrueMove H after elimination	24,171	74.5%	25,991	76.1%	20,775	71.6%	(7.0)	16.3
TrueOnline	7,180		6,963		7,230		3.1	(0.7)
Service revenue	7,035		6,815		6,981		3.2	0.8
- Traditional voice	900		1,064		1,275		(15.4)	(29.4)
- Broadband, Internet and Business Data Service	5,495		5,290		5,263		3.9	4.4
- Others	640		461		442		38.8	44.7
Network rental revenue (FOC)	110		110		110		0.0	0.0
Product sales	35		38		139		(8.5)	(75.1)
Intersegment elimination	(1,315)		(1,196)		(1,460)		9.9	(10.0)
TrueOnline after elimination	5,865	18.1%	5,767	16.9%	5,770	19.9%	1.7	1.6
Normalized consolidated revenues	35,269		36,743		31,381		(4.0)	12.4
Total intersegment elimination	(2,813)		(2,584)		(2,367)		8.9	18.8
Normalized consolidated revenues - net	32,457	100.0%	34,159	100.0%	29,014	100.0%	(5.0)	11.9

Consolidated Balance Sheet and Cash Flows

	31-Mar-17	31-Dec-16	% Change
(Baht in millions unless otherwise indicated)			
Balance Sheet			
Cash and cash equivalents	56,103	50,184	11.8
Trade accounts receivable, net	34,329	32,749	4.8
Other receivables	3,935	4,061	(3.1)
Other current assets	38,933	35,684	9.1
<i>Total current assets</i>	<i>133,301</i>	<i>122,678</i>	8.7
Property, plant and equipment, net	149,522	143,688	4.1
Goodwill, net	11,403	11,403	0.0
Intangible assets, net	137,614	139,746	(1.5)
Deferred income tax assets	4,926	5,376	(8.4)
Other non-current assets	28,352	26,069	8.8
<i>Total non-current assets</i>	<i>331,816</i>	<i>326,282</i>	1.7
Total assets	465,117	448,960	3.6
Short-term borrowings	56,311	37,572	49.9
Trade accounts payable	59,045	64,422	(8.3)
Other payables	37,317	34,093	9.5
Current portion of long-term borrowings	24,510	20,654	18.7
Other current liabilities	4,976	4,104	21.3
<i>Total current liabilities</i>	<i>182,160</i>	<i>160,844</i>	<i>13.3</i>
Long-term borrowings	61,912	60,490	2.4
Deferred income tax liabilities	2,020	1,995	1.3
Liabilities under agreements and licenses for operations	73,957	77,652	(4.8)
Employee benefit obligations	2,037	1,982	2.8
Other non-current liabilities	12,393	14,269	(13.1)
<i>Total non-current liabilities</i>	<i>152,319</i>	<i>156,389</i>	<i>(2.6)</i>
Total liabilities	334,479	317,233	5.4
Total shareholder's equity	130,638	131,728	(0.8)
Total liabilities and shareholder's equity	465,117	448,960	3.6

	31-Mar-17	31-Mar-16 (Restated)	% Change
Cash Flows			
Cash flows from operating activities	(8,431)	1,979	NM
Cash flows (used in) from investing activities	(8,368)	(16,646)	(50)
Cash flows (used in) from financing activities	22,722	17,039	33
Net (decrease) increase in cash and cash equivalents	5,924	2,372	150
Beginning cash balance and effects of exchange rate changes	50,179	10,581	374
Ending cash balance	56,103	12,953	333

FINANCIAL POSITION

True Group is in compliance with and meets all of its debt obligations. Its interest coverage ratio was flat from the previous quarter at 5.0 times; the net debt to EBITDA and net debt to equity ratios were 3.0 times and 0.6 times, respectively.

In 1Q17, True Group's net profit margin improved from the previous quarter. The Group's continued network and service expansion as well as spectrum licenses acquisition, however, pressured its net profit margin and return on equity to minus 3.5% and 4.7%, respectively.

True Group's current ratio increased YoY to 0.7 times driven by higher cash whose cycle was 29 days but decreased from the previous quarter due to additional borrowings. The average payment period increased to 226 days while average collection period decreased to 94 days as the Group's collection measure has become more efficient.

Financial Ratios

		<u>1Q17</u>	<u>4Q16</u>	<u>1Q16</u>
			(Restated)	(Restated)
Current Ratio	Times	0.7	0.8	0.6
Interest Coverage Ratio	Times	5.0	5.0	5.1
Net Debt to EBITDA	Times	3.0	2.5	4.3
Net Debt to Equity	Times	0.6	0.5	1.3
Net Profit Margin	%	-3.5	-6.9	7.4
Return on Equity (ROE)	%	-4.7	-2.7	6.6
Average Collection Period	Days	94	95	102
Average Payment Period	Days	226	198	178

Assets

- **True Group's assets** increased 3.6% from the end of 2016 to Baht 465.1 billion mainly due to higher property, plant and equipment as well as cash.
- **Property, plant and equipment, net** increased 4.1% from the end of 2016 to Baht 149.5 billion due to ongoing network and service expansion of the Group's cellular and broadband businesses.
- **Intangible assets, net** decreased to Baht 137.6 billion from Baht 139.7 billion at the end of 2016 due to spectrum licenses amortization during the period.
- **Investment in subsidiaries, associates and joint ventures (net)** rose to Baht 19.6 billion compared to 18.2 billion at the end of 2016 as a result of DIF's incremental investment value following its asset reappraisal in the first quarter.
- **Trade account receivables (net)** increased 4.8% from the end of 2016 to Baht 34.3 billion following the Group's business expansion with average collection period improving to 94 days in 1Q17.

	Consolidated		Company	
	31 March 2017	31 December 2016	31 March 2017	31 December 2015
	Baht Million	Baht Million	Baht Million	Baht Million
Receivable from TOT Billed customers	750.02	685.29	750.02	685.29
Receivable from related parties (Note 27)	20,748.90	20,293.14	2,016.82	1,994.15
	<u>7,962.00</u>	<u>7,873.13</u>	<u>6,718.51</u>	<u>6,176.90</u>
Trade accounts receivable	29,460.92	28,851.56	9,485.35	8,856.34
Accrued income	<u>12,365.76</u>	<u>11,025.30</u>	<u>2,200.10</u>	<u>2,220.65</u>
Total trade accounts receivable	41,826.68	39,876.86	11,685.45	11,076.99
<u>Less</u> Allowance for doubtful accounts	<u>(7,497.43)</u>	<u>(7,127.71)</u>	<u>(3,142.89)</u>	<u>(3,113.67)</u>
Trade accounts receivable, net	34,329.25	32,749.15	8,542.56	7,963.32

Outstanding trade accounts receivable as at 31 March 2017 and 31 December 2016 can be analyzed as follows:

	Consolidated		Company	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	Baht Million	Baht Million	Baht Million	Baht Million
Current	13,769.66	14,473.16	1,114.97	1,132.24
Less than 3 months	6,299.48	5,524.89	1,234.45	1,205.03
3 - 6 months	1,024.29	871.59	480.93	269.97
6 - 12 months	2,901.87	3,137.17	2,043.00	4,147.20
More than 12 months	<u>5,465.62</u>	<u>4,844.75</u>	<u>4,612.00</u>	<u>2,101.90</u>
Trade accounts receivable	29,460.92	28,851.56	9,485.35	8,856.34
Accrued income	<u>12,365.76</u>	<u>11,025.30</u>	<u>2,200.10</u>	<u>2,220.65</u>
Total trade accounts receivable	41,826.68	39,876.86	11,685.45	11,076.99
<u>Less</u> Allowance for doubtful accounts	<u>(7,497.43)</u>	<u>(7,127.71)</u>	<u>(3,142.89)</u>	<u>(3,113.67)</u>
Trade accounts receivable, net	<u>34,329.25</u>	<u>32,749.15</u>	<u>8,542.56</u>	<u>7,963.32</u>

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognized in profit or loss under administrative expenses.

The allowance for doubtful accounts is determined through a combination of percentage of revenues, analysis of debt aging, collection experience, and taking into account of change in the current economic environment. Management is confident that the allowance for doubtful accounts (Baht 7,497 million) is sufficient given the Company's experience in collecting accounts receivables using various mechanisms.

Concentrations of credit risk with respect to trade accounts receivable are limited as the Group has a very large number of customers who are end users of telephone services, both businesses and individuals. The Group's experience in the collection of accounts indicates that the allowance provided will be sufficient. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade accounts receivable.

Liabilities

- **True Group's total liabilities** increased 5.4% from the end of 2016 to Baht 334.5 billion mainly due to additional borrowings to support the Group's continued business expansion which drove **Interest bearing debt** (short-term and long-term borrowings excluding financial leases) to Baht 135.1 billion.
- **Trade accounts payable** dropped from the end of 2016 to Baht 59.0 billion following vendor payments and settlement on the HSPA agreement.

Shareholders' equity

- **Shareholders' equity** declined to Baht 130.6 billion driven by net loss during the first quarter.

Cash Flow

- True Group's primary capital resources in 1Q17 were **cash flows from financing activities** totaling Baht 22.7 billion, driven by additional borrowings to support the Group's ongoing business expansion.
- **Cash flows from operating activities** was a negative of Baht 8.4 billion in 1Q17 driven by working capital requirements and certain settlements related to the HSPA agreement with CAT.
- **Cash flows used in investing activities** decreased to Baht 8.4 billion in 1Q17 compared to a high base in the first quarter of last year with the first installment of the 900 MHz spectrum license.

Restatement

On 4 December 2015, a subsidiary, TUC was granted the 1800MHz Bandwidth licence by NBTC. The licence authorised TUC to provide mobile service under those spectrums for 18 years. During 2016, the Group identified additional directly attributable costs of acquisition of licence, which should have been capitalised as initial cost of licence.

The adjustments to the statement of comprehensive income for the three-month period ended 31 March 2016 are as follows:

Statement of comprehensive income

	Consolidated financial statements		
	As previously reported Baht Million	Adjustment Baht Million	As restated Baht Million
For the three-month period ended 31 March 2016			
Cost of providing services	17,833.31	13.44	17,846.75
Finance cost	1,478.45	(206.92)	1,271.53

Contracts, litigations and Arbitration disputes

Contracts

3G HSPA

On 27 January 2011, a subsidiary, BFKT entered into an agreement with CAT to lease telecommunication equipment under HSPA technologies for the periods of 14.5 years. Under the terms and conditions of HSPA agreement, BFKT has certain commitments including acquiring, installing, managing, and maintaining all equipment necessary to provide mobile phone service using HSPA technology according to the capacity stipulated in the agreement and amended agreement executed on 3 December 2013 for the period of 14.5 years. As consideration of providing such services, BFKT entitles to receive revenue as stipulated in the agreement.

On 27 January 2011, a subsidiary, Real Move Company Limited ("RMV") entered into a re-sales and wholesales agreement with CAT ("the Agreement"). Under the terms and conditions of the Agreement, RMV provides mobile phone services using HSPA technology wholesale from CAT for the period of 14.5 years. On 16 December 2015, RMV was granted the renewal of Type I licences by NBTC for resale of mobile services and internet services. RMV is entitled to maintain rights and obligations according to The Telecommunication Act B.E. 2544 under the terms and conditions as stipulated in the licences, and has obligation to pay expenses to CAT according to the agreement. The licences will expire on 15 December 2020.

There have been disagreements between the Group and CAT regarding the interpretation of the agreements and details of computations of related revenues and costs.

As of 31 March 2017, the Group and CAT have settled certain portion of rental and services revenue in BFKT and accrued operating cost in RMV for transactions incurred during July 2011 to January 2017.

Currently, all parties are discussing the details to finalise all unsettled balances. The management has strong view that the Group has recorded related revenue and costs appropriately according to the agreements and there will be no material impact to the Group's operations as a result of the discussion.

Litigations and arbitration disputes

Except as set forth, there is no new development in the litigations and arbitration disputes disclosed in Note 39 to the 2016 annual financial statements. Progress of litigations occurred during the period ended 31 March 2017 are summarised as follows:

Litigation and arbitration disputes of the Company:

Dispute in relation to used of Company's logo on the public payphone booths: On 15 February 2017, the Supreme Administrative Court has uphold the judgement in which is in line with the Central Administrative Court and the Arbitration's ruling. The Company recognised Baht 192.69 million as other expenses in the separate financial information for the period ended 31 March 2017.

Dispute in relation to TA1234 campaign: On 6 January 2017, the Company filed with the Central Administrative Court to revoke the Arbitration's ruling. Currently, the case is under the consideration of the Central Administrative Court.

Dispute in relation to revenue sharing collected from international call services: On 18 January 2017, the Company submitted to amend the claimed amount from Baht 8,810.25 million to Baht 8,699.00 million with arbitration tribunal. Currently, the case is under the arbitration process.

The ultimate outcome of the litigations and arbitration disputes are presently unable to be determined, and accordingly, no provision for liability has been made in the interim financial information.

Subsidiary's access charges

Refer to Note 40.2 to the 2016 annual financial statements, the subsidiary issued a written notification informing TOT and CAT that it will cease payment of access charge under the Access Charge Agreement on the basis that the rate and the collection of access charge under the Access Charge Agreement were contrary to the law in a number of respects. In 2011, TOT has filed a lawsuit against CAT and the subsidiary, claiming for the access charge totaling Baht 41,540.27 million. On 31 July 2014, TOT has amended the claim amount to Baht 59,628.00 million plus interest from the initial filing date until the payment is made. The case is currently in the judicial of the Central Administrative Court.

If the subsidiary has had to pay such access charges, the subsidiary would be liable to accrue access charges for the period from 18 November 2006 to 15 September 2013 as follows:

	Accrued access charges Baht Million	Net effect to the consolidated statement of comprehensive income, net of revenue sharing to CAT Baht Million
For the periods from 18 November 2006 to 15 September 2013	32,344.56	23,762.55

The management and its external lawyers have opined that the subsidiary would not be liable to pay the said access charges.

The ultimate outcomes of the aforementioned cases are presently unable to be determined, and accordingly, no recognition of revenue and provision for possible liability has been made in the financial information.