



ทะเบียนเลขที่ 0107538000673

บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

**BEC WORLD PUBLIC COMPANY LIMITED**

August 10, 2017

To: President,  
Stock Exchange of Thailand.

Re: Submission of Financial Statements for the 2<sup>nd</sup> Quarter of this Year,

Enclosures: Financial Statements for the 2<sup>nd</sup> 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 2<sup>nd</sup> quarter of this year ended June 30, 2017, which were reviewed by the Auditor and our Audit Committee has already reviewed them.

In the 2<sup>nd</sup> quarter of this year, 2017, the BEC World group made Baht112.7 million as the net profit for BEC World group's shareholders for the quarter, Baht136.3 million lower quarter-on-quarter, i.e. 54.7% less, as it has about the same advertising income but has Baht198.5 million higher costs from covering many more live world-class sport events during the quarter even having higher margin from our concerts and shows. When compares this quarter with the same quarter of the prior year, the net profit for our shareholders is Baht350.9 million less, i.e. 75.7% lower; as we made 18.5% less advertising income, i.e. Baht 615.1 million lower, which pulled the profit of the group down a lot as mentioned even we could keep our "costs and expenses" at the lower level than that of the prior 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



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บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

**BEC WORLD PUBLIC COMPANY LIMITED**

BEC World Plc.

Consolidated Financial Statements for the 2<sup>nd</sup> Quarter of the year 2017

Management Discussion and Analysis:

Business Environment:

Nielsen Media Research reports that the advertising expenditure (Adex) during the second quarter of this year increased just only 2.7% higher than the prior quarter; normally the increase will be higher as it is a transition from the low-season at the beginning of the year to the high-season second quarter; as this year the increase is seen only in Transit, Cinema and the new Digital Terrestrial Channels but was weighted down by the drop of the traditional Analog Terrestrial TV Channels. Nielsen also reports that Adex through the Traditional Analog Terrestrial TV Channels decreased year-on-year at accelerated rates throughout the quarter caused the total decrease of 20.8% year-on-year. The other medium such as Radio and Printed mediums also showed a large drop year-on-year thus the industry is 9.5% lower year-on-year.

Structure Changes:

During the second quarter of 2017, there is a minor change in the structure of BEC World group as BEC-Tero Entertainment Plc., (BEC-TERO), a subsidiary of BEC World set up a new joint-venture associated company, i.e. BEC-Tero Show Co., Ltd., to manage the concerts and events venue which BEC-Tero holds 39.99% of the Baht10 million registered capital.

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.

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บริษัท บีอีซี เวิลด์ จำกัด (มหาชน)

**BEC WORLD PUBLIC COMPANY LIMITED**

Revenues:

Our “advertising income” in the second quarter of this year is at Baht2,714.1 million, 0.9% lower quarter-on-quarter which is unusual as we normally benefitted from growth momentum of the transition from the low-season at the beginning of the year to the high-season second quarter; this is the resultants of the continuing decline of demand for advertising airtimes. It is also Baht615.1 million less year-on-year, i.e.18.5% lower from the declined demand for adverting airtime on our Channel 3 and also because we had the live coverage of the UEFA EURO 2016 which had higher demand as well. Our revenues and gross margin from organizing concerts and shows increased both quarter-on-quarter and year-on-year as we are more diverse. Our copyrights and services income also increased both quarter-on-quarter and year-on-year, as well.

Costs and Operating Expenses:

Our “costs of services” increased quarter-on-quarter mainly from the costs of live coverage of many more world-class sport events during the quarter. However, it is lowered down Year-on-year partly because we had UEFA EURO 2016 coverage. We are able to keep our “selling expenses” and our “administrative expenses” lower year-on-year to be at about the same level of the prior quarter.

Financial positions:

Our total assets increased slightly when compared with balance at the end of the prior year; the increases include our “cash and cash equivalent”, “Other current assets” and “Plays Production”. Our “liabilities” also slightly increased; we have converted our “short-term borrowings” to be the long-term one when we got the approval from the Annual General Meeting of the shareholders to issue bonds. Our “shareholders’ equity” is about the same at the end of the prior year even after the payment of the prior year final dividend as it’s added by the current year profit. BEC World’s financial positions are strong as usual.