

**Miscellaneous**

* Asterisks denote mandatory information

Name of Announcer *	SINGTEL
Company Registration No.	199201624D
Announcement submitted on behalf of	SINGTEL
Announcement is submitted with respect to *	SINGTEL
Announcement is submitted by *	Lim Li Ching (Ms)
Designation *	Assistant Company Secretary
Date & Time of Broadcast	12-Dec-2012 17:36:56
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>> Announcement Details

The details of the announcement start here ...

Announcement Title * Release issued by Advanced Info Service Public Company Limited - Acquisition of 2.1GHz license (3G)

Description Advanced Info Service Public Company Limited, an associated company of Singapore Telecommunications Limited, has issued an announcement on the acquisition of the 2.1GHz (3G) license in Thailand. Please see attached document.

Attachments

 [AIS-20121212.pdf](#)
Total size = **44K**
(2048K size limit recommended)

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-Translation-

AIS-CP 054/2012

December 12, 2012

Subject: Acquisition of 2.1GHz license (3G)

Ref: Letter to SET regarding official announcement of 2.1GHz license auction (3G)
result no. AIS-CP 050/2012 dated 19 October 2012To: The President
The Stock Exchange of Thailand

On October 2012, Advanced Wireless Network Co., Ltd. (AWN), a 99.99% subsidiary of Advanced Info Service Plc. (the Company) was the auction winner for 2.1GHz license (3G) at the bid price of Baht 14,625 million. On 11 December 2012 AWN was officially granted the license to operate 2.1GHz from the National Broadcasting and Telecommunications Commission (NBTC).

The Company's Board of Directors meeting no. 7/2012 on 11 December 2012 approved a preliminary budget for AWN to roll out 2.1GHz network investment as required by the NBTC at a value of USD 413 million or approximately Baht 13,013.63 million (USD 1 = Baht 31.51).

The transaction is deemed to be an acquisition of assets under the Notification of the Capital Market Supervisory Board. When combining the amount of 2.1GHz license fee with the approximate investment budget of AWN, the calculated transaction value is 32.19% of total assets of the Company and its subsidiaries as at 30 September 2012. The transaction is therefore classified as Class 2 transaction under the Notification of the Board of Governors of the Stock Exchange of Thailand (Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004). The Company is deemed to disclose the transaction to the Stock Exchange of Thailand (SET). and submit a notice of information memorandum on such transaction to the Company's shareholders within 21 days from the date of disclosure to SET. Details of the transaction are as follows:

1. Transaction date

11 December 2012

2. Related parties and relationship with the Company

Licensee : Advanced Wireless Network Co., Ltd. (AWN)

Licensor : The National Broadcasting and Telecommunications Commission
(NBTC)

Relationship : None

3. General characteristics of the transaction

General characteristics

Advanced Wireless Network Co., Ltd. (AWN), a 99.99% subsidiary of the Company, was granted a license to operate three slots of spectrum bandwidth on 2.1GHz covering 1950MHz to 1965MHz pairing to 2140MHz to 2155MHz at the bid price of Baht 14,625 million (exclude VAT). AWN shall then provide telecommunications network to render services within the scope of license as specified by the NBTC. An preliminary investment budget for 2.1GHz network is approximately Baht 13,013.63 million.

Category and transaction size

The transaction size is calculated based on the total value of consideration:

$$\frac{(\text{license fee} + \text{Investment budget}) \times 100}{\text{Total assets of the Company and subsidiaries as at 30 September 2012}} = \frac{(14,625.00 + 13,013.63) \times 100}{85,864.90}$$

The transaction value is 32.19% which is more than 15% but below 50% of total assets, therefore is classified as Class 2 transaction under the Notification of the Board of Governors of SET. The Company is deemed to disclose the transaction to SET and submit a notice of information memorandum on such transaction to the Company's shareholders within 21 days from the date of disclosure to SET.

4. Details of 2.1GHz license (3G)

The 2.1GHz license is a 15-year International Mobile Telecommunication (IMT) license in accordance with the Act on Organization to Assign Radio Frequency and to Regulate the Broadcasting and Telecommunications Services B.E. 2553 (2010). AWN was granted three slots of spectrum bandwidth on 2.1GHz covering 1950MHz to 1965MHz pairing to 2140MHz to 2155MHz. AWN is also required to fulfill the terms and conditions under the NBTC (Re: Criteria and Procedure for Spectrum Licensing for International Mobile Telecommunications (IMT) in the Frequency Band of 2.1 GHz, B.E. 2555 (2012)).

5. The total value of consideration

5.1 Payment of the 2.1GHz license fee at the rate of Baht 14,625 million (exclude VAT) is divided into 3 installments as follows:

- The 1st installment Pay 50% of the winning bid price and submit a letter of bank guarantee for the remaining auction fee within 90 days from the date of receiving notification as the winning bidder;
- The 2nd installment Pay 25% of the winning bid price and submit a letter of bank guarantee for the payment of the 3rd installment within 15 days after 2 years from the date of obtaining the license. In this regards, the Office of the NBTC will return the letter of bank guarantee submitted in the 1st installment within 15 days from the date of the 2nd installment payment;

The 3rd installment Pay 25% of the winning bid price within 15 days after 3 years from the date of obtaining the license. The Office of the NBTC will return the letter of bank guarantee submitted in the 2nd installment within 15 days from the date of the 3rd installment payment.

5.2 A preliminary budget for investment on 2.1GHz is approximately Baht 13,013.63 million which will be subjected to business policy and strategy of the Company.

6. Source of funds

Operating cash flows and loans from financial institution which carry no condition affecting rights of shareholders

7. The basis used to determine the value of consideration

7.1 The final bid value of 2.1GHz license is according to the auction under the Notification of the NBTC (Re: Criteria and Procedure for Spectrum Licensing for International Mobile Telecommunications (IMT) in the frequency band of 2.1GHz, B.E. 2555 (2012)).

7.2 Total assets from the consolidated financial statement for the 3rd quarter of year 2012 ended 30 September 2012

8. Expected benefit to the Company

8.1 Expand capacity of the mobile network to support data and mobile internet services
The International Mobile Telecommunication (IMT) license on 2.1GHz is the international standard frequency to operate 3G technology, and has been widely deployed globally. With an additional 15MHz bandwidth on 2.1GHz, the Company will be able to expand network capacity to serve the fast growing data and mobile internet service. This will essentially ease both the technology and technical limitations on the existing 900MHz and 1800MHz, where the Company and its subsidiary are operating for 17.5MHz and 12.5MHz, respectively.

8.2 Enhance company's growth from potential new product and services

The increasing demand on smart devices and social network has driven telecom operators worldwide to seek the new growth potential on mobile data, amidst the saturated voice market. The 2.1GHz will allow us to operate more efficiently on new technology to supply data demand with better quality. Since 2.1GHz is an international standard to operate 3G technology, the beneficial implication is clearly on a wider range of devices at appropriate market price to be available to mass consumers and as a result will support our business to develop more affordable products and services in the coming future. This will be the key revenue growth driver for the Company in longer term.

8.3 Support business continuity

While the 900MHz and 1800MHz build-transfer-operate contracts (BTO) will be ended in 2015 and 2013 respectively, the policy measures to reallocate those frequency bands are still under the NBTC's consideration. Therefore, obtaining a 15-year spectrum license on 2.1GHz is significant as part of risk management of the Company to ensure business continuity in the long-term.

9. Opinion of the Board of Directors

The Board of Directors has considered and agreed that the acquisition of license for IMT in the frequency band 2.1 GHz is beneficial to the Company as specified on Clause 8.

10.Opinion of the Company's Audit Committee and/or directors which are different from the opinion of the Board of Directors under clause 9

-None-

11.Pending material lawsuit or claim

No material lawsuits or claims that have significant impact to the investment.

12.Interests or connected transactions between the listed company and directors, management and shareholders directly or indirectly holding shares amounting to 10% to more

-None-

Please be informed accordingly.

Yours faithfully,

-Signed-

Mr. Vikrom Sriprataks
Director
Advanced Info Service Plc.