

## Business Operations of the Company and its Subsidiaries

### Products and Services

AIS designs a variety of products and services to respond to diverse needs of both retail and corporate customers. Our main products are:



AIS "GSM advance"  
for white collar  
office workers



AIS "GSM 1800"  
for basic phone users

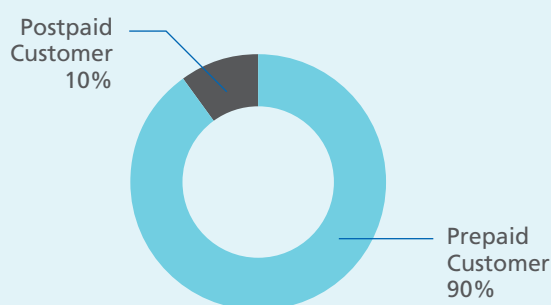


AIS "One-2-Call!"  
for teenagers



AIS "Sawasdee"  
for light users

### Subscriber breakdown as of 2010



As of FY 2010, AIS has a total of 31.2 million subscribers.

	Subscriber (million)	ARPU (Baht) incl. Net IC *
Prepaid	28.1	201
Postpaid	3.1	632
<b>Total</b>	<b>31.2</b>	<b>244</b>

\* Average revenue per user per month as of 4Q10

### 66% of revenue is from prepaid service

	Breakdown of revenues (%)
Prepaid	66.2
Postpaid	26.3
Others	7.5
<b>Total</b>	<b>100.0</b>

### Business Strategy

AIS's products and services are built around the concept of "EcoSystem", combining 5 key attributes including Devices, Contents, Solutions Partners, Business Alliance and Customer Assistant. These are essential in providing quality products and services that cover diverse requirements and life styles of the customers.



## AIS GSM advance

The key customer segment targeted under “GSM advance” focuses on trendy and technology-savvy customers including undergraduate students, white-collar office workers, businessmen, and entrepreneurs as well as expanding into younger demographic segment such as those who just started their first jobs.

### AIS GSM advance Concept

GSM advance was developed to correspond to the increasingly diverse lifestyle of customers by serving both emotional and functional needs. The evolution of brand concept began with “GSM 2 Watts” that emphasized on network quality. Later on, the focus moved to valued added services, and hence the brand was altered to “GSM advance”. As marketing moved toward segmentation, the brand was evolved again to “GSM advance Evolution”. More recently “GSM Smart Life” reflects the complete tailored service concept that allowed the customers to design their own price plans.

In 2010, as multiple SIMs behavior spurred in the market, AIS GSM advance adapted its brand concept to “GSM one-for-all”, strengthening the comprehensive benefits to customers within one single SIM card that includes variety of price plans, new services, and special privileges as follows.

## 1 GSM smart Mix&Match

GSM Smart Mix & Match: The program allows customers to customize their own price plans.

## 2 GSM smart Innovation

GSM Smart Innovation: Innovative services that simplify customers’ lifestyles.

### GSM EDGE Plus

EDGE Plus: customers will never miss a call and be able to receive a call while exploring internet.

### Smart Secure



Smart Secure: Lock the phone and secure important information when the phone is lost.

### GSM Mobile payWave



Mobile pay Wave: New method of payment by using mobile phone instead of credit card at over 1,500 kiosks.

## 3 GSM smart Privilege

GSM Smart Privilege: Exclusive privileges for AIS customers such as accident insurance up to Baht 150,000 from Cigna, and discount from leading stores nationwide.

## AIS GSM advance Package

AIS GSM advance focus on maximizing customers' satisfaction by offering main package and add-on packages allowing customers to mix and match their own plan to suit the usage styles as well as the types of smartphone devices. Examples of package are as follows:



**GSM Smart Mix & Match:** The program allows customers to design a package to suit their individual lifestyles with more than 50 different options. Customers are therefore able to create the right package for themselves. Firstly, customers simply choose the Smart basic, the initial package that let customers select their calling plan with one simple flat rate of Baht 1 per minute for any networks, any time. The smallest basic plan starts with monthly charge of Baht 200 for 200 minutes call. Next step, customers choose the Smart topping which is designed to response a variety of customers demand and available for voice, non-voice and international usage. For example:

**All Networks 24 hours**  
 Calls to any networks for 100 minutes at Baht 100 per month.

**All Day All Night**  
 Unlimited calls within AIS network during 10 pm - 5 pm at Baht 249 per month.

**Day Buffet**  
 Unlimited calls within AIS network during 5 am - 5 pm for Baht 199 per month.

**Lovers Unlimited Calls**  
 Unlimited calls to 1 specific number within AIS network during 10 pm - 6 pm at Baht 150 per month.

**Night Buffet**  
 Unlimited calls within AIS network during 10 pm - 8 am for Baht 100 per month.

**Lovers Baht 0.25**  
 Unlimited call to 1 specific number within AIS network at a special rate of Baht 0.25 per minute, and a monthly charge of Baht 150.

**Gang**  
 Baht 0.50 per minute

**Gang**  
 Unlimited call to 3 specific numbers within AIS network at a special rate of Baht 0.50 per minute, and a monthly charge of Baht 100.

**SMS**

**SMS/MMS/GPRS**

Send 50 SMS or 12 MMS per month or GPRS 6 hours per month at a minimum monthly charge of Baht 50.

**Weekend Buffet**  
 Unlimited calls within AIS network for Baht 100 per month.

**Weekend Buffet**

**MMS**

**GPRS**

**BlackBerry lover**

**BlackBerry Lover**

Use Chat, Facebook or e-mail at a minimum monthly charge of Baht 300 or choose unlimited GPRS usage at Baht 799 per month.

**Unlimited Data Roaming Package**

**Unlimited Data Roaming Package**

Unlimited usage of GPRS/EDGE in South Korea, Taiwan, the Philippines, Macau, Malaysia, Singapore, Australia, India, Indonesia and Hong Kong at Baht 350 for 1 day, Baht 950 for 3 days and 1,400 for a month.

### GSM NET SIM

Promotion for data services via mobile phone and aircard with special offer of 50 hours EDGE/GPRS usage at Baht 149 and Baht 799 for unlimited usage.



### GSM Smart Phone Package

Promotion for smartphone at a minimum monthly charge of Baht 400 and a maximum of Baht 1,100. This package offers a combination of services including GPRS/EDGE, SMS, MMS and phone call.



### GSM BlackBerry Package

Promotion for BlackBerry users and social network members. The promotion starts from Baht 300 a month for chat & Facebook or chat & e-mail. Unlimited BlackBerry package is available at Baht 799 a month.



### GSM iPhone Package

Promotion for iPhone users who love online entertainment such as games, music, new application download with 150 MB GPRS/EDGE service at a minimum charge of Baht 275 a month and unlimited GPRS/EDGE usage at Baht 839 a month.

เลือกความคุ้มค่า กับ iPhone แพคเกจ ที่ดีที่สุด...สำหรับคุณ

GSM iPhone แพคเกจ	ค่าบริการรายเดือน (บาท)
Mini	275 (ฟรีดาวน์โหลด 19-24)
Medium	519 (ฟรีดาวน์โหลด 21-24)
Max	839 (ฟรีดาวน์โหลด 21-24)







### GSM eService

AIS GSM Advance created the superior service by developing online “GSM eService” which provide a simple, user-friendly web access for customers to easily change their packages, check spending balance, track their usage and pay their bills by themselves at anytime of a day

### GSM Distrubution Channels

In 2010, AIS GSM advance focused on direct sale by launching mobile service point or GSM Van and encouraged AIS team to involve more extensively in marketing activities to increase customer accessibility. AIS also setup “GSM Smart Shop” in department stores and the areas where sub dealers are located. The shops facilitated SIM distribution and customer registration.

### AIS 3G



AIS is the first operator in Thailand that provides 3G HSPA technology on 900 MHz spectrum to get the customer accustomed to 3G technology before the National Telecommunication Commission grants 3G - 2.1 GHz license. This reflects our commitment to be the leader of 3G technology and improve experience of growing data demand. Under the concept freedom life with “AIS 3G”, customers can enjoy data speed up to 7.2 Mbps which is faster than the current EDGE speed. At the initial stage, we launched AIS 3G service in Chiang Mai, Chon Buri, Nakhon Ratchasima and Hua Hin to support the demand in tourism and industrial area.



## AIS GSM 1800

AIS GSM 1800 targets customers who use basic voice communication, with attractive price plan. Example of GSM 1800 packages are as follows:

### AIS GSM 1800 Promotion

**Get 150 Minutes  
for any networks**

24 hours  
Just 150 Baht

## GSM 1800 basis + On-top Buffet

Simple flat rate at Baht 1 per minute for any networks 24 hours with four buffet choices range from Baht 150 to Baht 800.

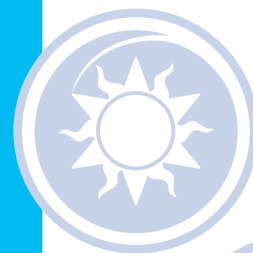
### Buffet package

**Buffet 12 hours**  
unlimited call within  
AIS network during  
**5 am - 5 pm**  
with additional  
Baht 100 charge

**Buffet 18 hours**  
unlimited call within  
AIS network during  
**11 am - 5 pm**  
with additional  
Baht 200 charge

**GSM 1800**

The Quality Network Nationwide





## AIS One-2-call!

### AIS One-2-call! targets

teens and youngsters who thrive on having individual style and expressing their creativity. Targeted segment also expands to teen group, which are secondary and upper secondary students who use mobile phone.

### AIS One-2-call! Concept

AIS focus on building the strength of One-2-call! both functional and emotional attributes. “Freedom” is the brand concepts that encourages and inspires teenagers to think, dream, and make it happen. In 2010, AIS One-2-call! explore new experience for teens who prefer to access social network through mobile phone which rapidly increases popularity. Chat 'n Share concept is designed for teens to more easily connect online world through all kind of handset both Smartphone and ordinary handset with various packages to match usage behavior. AIS One-2-call! also joins with business alliance to response continuous growing demand for music download among teens.

#### Social Network

1. High-end teenagers who use smartphone to connect with the social network. Popular smartphone brands such as BlackBerry, iPhone, Samsung Galaxy are bundled with airtime promotion tailored to each smartphone.
2. Valued teenagers who focus on price and also wants to get connected with the social network. Budget smartphone are matched with price plan to comfort the demand of social networking in this segment. Nokia Cool Pack package is designed to answer the behavior.
3. Mass users who use featured phones can chat any time by using Chat SIM bundled with package.

#### Music Download Lover

Grammy music SIM is a choice which allows customers to unlimited download music from Grammy music house with special calling rate.

## Service Development in 2010

In 2010, AIS One-2-Call! continuously developed new services, such as being the first prepaid brand in the market that offers price plan with single flat rate for outgoing call to any networks. This facilitates customers usage as well as comply with the regulation of the National Telecommunication Commission. AIS One-2-Call! collaborates with business alliances to offer Co-SIM card such as Tesco Lotus SIM, Chat SIM, Grammy Music SIM in which customers will enjoy various benefits from the alliances products and services when top-up.

AIS One-2-Call! creates superior experience by launching “eService” allowing personal web-base access for customers to check spending balance, usage date, change packages, etc. To provide special privilege for customers, AIS One-2-Call! organized a successful marketing campaign, “1-2-Call! Sport”, in which customers have a chance to win 12 Mazda cars in 12 weeks for every Baht 50 top-up.



## AIS One-2-Call! Promotion

AIS One-2-Call! provides a variety of price plans and services to serve key customer segments. Customers can easily select their package at their wish by pressing \*777 on their mobile phone. Here are examples of AIS prepaid packages:

### Love All Networks

Easy to use at the rate Baht 2 for the first minute and Baht 0.50 per minute for each additional minute for all networks.

### Wan Yen

Designed for customers who usually call during evening and night time, 10 pm - 6 pm at the rate Baht 2 for the first minute and Baht 0.25 per minute for each additional minute to all networks.

### Chao Yun Yen

Price plan for customers who usually call during day time from 5 am - 5 pm with Baht 0.75 per minute for all networks.

### Ngai Sood

Price plan that offers a single flat rate of Baht 0.97 per minute for outgoing call to all networks.





## Calls to All Networks

### 2010

Respond to the customers whose average calls not exceeding 5 minutes per call with the rate of Baht 3 for 5 minute during 8 am - 5 pm.

### Toh Took Wela 12 hours

The program offers the rate of Baht 2 for first minute, Baht 1 per minute thereafter to all networks from 6 am to 6 pm.

### Toh Sabai

Single rate call to all networks at the rate of Baht 1.5 for 24 hours.

## Calls Within AIS Network

### Mouth Phen Chua-Mohng

Low cost price plan at the rate of Baht 2 for a 1 hour call within AIS network during 8 am - 5 pm with minimum payment of Baht 29 per month.

## Weekly Buffet

Unlimited free calls during 5 am - 5 pm with a weekly payment of Baht 55.

## 20 Hours Buffet

Unlimited free call within AIS network during 10 pm to 6 pm at weekly rate of Baht 69.

## Day/Night Buffet

Unlimited calls within AIS network during 5 am - 5 pm or 10 pm - 10 am at a minimum monthly rate of Baht 199 and Baht 159 respectively.

## Value Added Service Lovers

### SMS Lovers

Send 500 SMS at Baht 119 per month.

### Internet Lovers

Surfing mobile internet 30 hours GPRS. at the rate of Baht 119 per month.

## Smartphone Users

### Smartphone Promotion

Designed for customers who use variety of value added services at a special rate of Baht 199 per month for 100 MB GPRS, 100 SMS, and 50 MMS. Call price is Baht 1 for all networks.

### BlackBerry

An option for customers who use BlackBerry as a main promotion with unlimited usage of Facebook and Chat at a special call rate of Baht 0.90 for all networks and a minimum monthly service fee of Baht 300. And on-top BlackBerry as an additional promotion at a minimum rate of Baht 30 per day and a maximum rate of Baht 650 per month with unlimited usage.

## On-top Promotion Users

### Mao Mao

The popular on-top package that customers can customize their tariff plan. Mao Mao has 12 different plans, for example: 25 minutes of outgoing call at only Baht 20 for all networks available for 2 days for high usage behavior; 10 SMS for Baht 10 for SMS lovers; Baht 9 for unlimited calls within AIS network until midnight, etc.



## Segment Customers

### SIM Fang Khong

Our collaboration with partners in neighboring countries let customers who travel to Laos and Cambodia to call back to Thailand or make phone call within the countries at low prices. Customer can save up to 90% discount or pay only Baht 6 per minute or 1 SMS.

### Tesco Lotus SIM

Special for Tesco Lotus customers with single rate of Baht 1.1 for all networks. Customers enjoy several benefits including receive 20% complimentary call bonus, 2 times club card points, and longer usage period to 30 days (from 10 days) for Baht 100 top-up.

### Grammy Music SIM

Designed for music lover as well as normal voice call. The tariff is Baht 1 for 1 hour call within AIS network from 11 pm - 5 pm with unlimited Grammy music download. Customers receive discount up to 50%, for example, Baht 1 per 1 SMS, Baht 3 per 1 MMS, GPRS for Baht 0.50 per minute.

### Tourist SIM

Designed for inbound tourists with worldwide SMS at Baht 5 per SMS. The sim is loaded with "One-2-Call! Service" menu, which provides important information such as embassy, airport, tourism police number. A special rate is provided by AIN 005 when making international phone call.

### Nokia Cool Pack

Designed for Nokia users to use unlimited Chat, social network, e-mail with the rate of only Baht 29 per week.

### Chat SIM

Customers can chat via any mobile phone 24 hours at the rate of Baht 17 per week. Voice call is only Baht 0.50 per minute within Chat SIM group.

### Deaf SIM

Designed for customers who has listening problem with 500 SMS to all network at the rate of Baht 99 per month or 2,000 SMS within AIS network at the rate of Baht 300 per month.

### Net SIM

For customers who prefer to connect online are offered value for money with 30 hours GPRS promotion at the rate of Baht 99 per month and single call rate of Baht 1.25 for all networks.







## AIS Sawasdee

**"Sawasdee" is  
a sub brand of AIS**

designed for first time  
mobile phone users  
both children and  
adults who make  
few calls and mainly  
receive calls.

### Sawasdee Look Thung Thua Thai

Sawasdee is a spearhead for market expansion in regional area where the customers demand for low cost service. In addition to the strength of network coverage, "Sawasdee" maintains its customer base by constantly building relationship with local customers. "Sawasdee" local popularity is built by the campaign "Sawasdee Look Thung Thua Thai" which is the concert featuring various actors, MCs, and folk song artists. Entertainment, special privileges and rewards through several activities are as well provided to Sawasdee customers. The concert is held for 4 consecutive years in collaboration with channel 3 television station and broadcasted to customers countrywide.

### AIS Sawasdee Promotion

"Sawasdee" offers packages as follows:



#### Sawadee Nan Nan

The price plan for mostly receiving call users. Validity is 1 year for all types of money refill at the call rate of Baht 2.50 to all networks.



#### Sawadee Sa Bye Sa Bye

The price plan for cost control users. The customers can top-up only Baht 50 for 30 days at a special rate of Baht 2 per minute to all networks and 24 hours.



#### Moo Hao SIM

Localized tariff for customers in northeast area to keep contact with relatives in other area offers special call rate of Baht 0.50 for making a call since second minute originating from the northeast area.





## AIS Business Solutions

### Main Target Group

AIS is the leader in telecommunication solution for corporate enterprises and SMEs.

### Corporate Customers Service

AIS Business solution constantly develops new products and services to enhance business efficiency and competitiveness for our customers. AIS cooperates with business partners to develop the solution tailored to the needs of corporate customers. AIS smart solution offered the products and services as follows:



- **Push Mail** to delivers secure and real time e-mail service. The service is also compatible with various gadgets. This solution is focused to help corporate customers create business competitive advantage beyond their peers.
- **Smart Messaging** is developed from Smart Mobile Paging by adding the two-way SMS communication and broadcasting services for interactive function i.e. SMS voting, quiz or survey, CRM campaign.
- **Smart SIM** enhances effectiveness of communication within each corporate, utilize the updated information via SMS Application. Smart SIM provides menus designed according to the requirements of each organization.
- **Mobile Marketing** the marketing on mobile phone which make it possible for product and service providers to directly reach target customers and be able to instantly evaluate the result with high speed and low cost. The service types range from: sending SMS, informing mobile banking password to customers' mobile phone, to updating target customers about news and promotion via SMS/MMS (m-Ad/Location Base Service).
- **Mobile Track & Trace** to track the location of mobile phone by applying the technology "Location Base" with genius mapping program, enabling customers to precisely and timely locate the whereabouts of a mobile phone. Service is developed for business relying on speed and security of service such as logistics and insurance business.
- **M2M Service** the cost-efficient solutions that connect between Machine to Machine (M2M) with simple and small amount of data transmission by using GPRS/EDGE and allowing the customer to send and receive data with sufficient speed in wide service area coverage. There are various applications of the service such as Fleet Management, Tele-Metering, and Mobile EDC.



## Customer Relationship and Customer Experience Management

AIS introduces “EcoSystem” as our core of business concept to capture new wave of mobile data trend. One of the key commitments of EcoSystem is to serve customers with highest satisfactions, and best customers’ experiences. In order to compete with the rapid growth in the smartphone market, AIS is committed to provide our customers with best quality network, superior service, innovative and user-friendly products, reliable system, special privilege campaigns, customization to match different lifestyles and excellent social responsibility. In 2010, the development of customer relationship management involved with uplifting service level of all customer touch points to cope with rising customer demand for data service and use of smartphones.

## Complete Services for Smartphone Users

In 2010, AIS has strengthened the image of the market leader with new innovative products; AIS has launched the newest smartphones such as BlackBerry Bold 9700 and iPhone 4. Also, AIS is the sole distributors for Samsung Galaxy S and Samsung Galaxy Tab. To deliver highest satisfactions and best customers’ experience, AIS provide complete services, including but not limited to advice for phone choosing tips, packages recommendations, and device-settings walkthrough. In addition, our new service allows smartphone users to manually turn on-off GPRS via SMS (\*129#) and to receive “over-the-limit usage” reminder. Moreover, AIS also holds a monthly iPhone workshop and BlackBerry Workshop for our customers.

For the users who travel abroad, AIS also provide services such as “data roaming” notification, and “data roaming balance” notification for smartphone users convenience. Furthermore, if the users lose their SIM card, AIS will send a complimentary SIM card to your doorstep. Last but not least, AIS can recommend customers the packages that would suit their lifestyle no matter where they live.

## Service Innovation

In 2010, AIS developed several new services and experiences to respond to new lifestyles to meet the customer’s requirement, such as:

- **One-2-Call eService** an online service for customers to easily manage their bills, change of pricing package, usage balance check, money transfer, call screening service, new number SMS service, international roaming service, etc. In addition, eService users are entitled to eAIS plus privilege, able to check call detail by themselves, and able to add more credits via credit cards anytime. As a result, AIS’s eService users have grown 180% from last year. We also developed eService Application for iPhone users to download via Appstore for our customers’ convenience.

## Customer Service Enhancement via AIS Touch Points

AIS has enhance the quality of our customer service at AIS shop and Telewiz to create best customers' experiences. Doing so, AIS has upgraded both the "hardware" parts by improving the image, the ambience and the service devices and the "software" parts by equipping our shops with knowledgeable staffs with dedicated service minds.

- **AIS shop and Serenade club** has been improving its store image with trendy decoration suitable to lifestyles of our customers in the area. In 2010, AIS has renovated 5 branches of our shops and opened 3 new branches at Paradise Park (Srinakarin area), Jung Seelon Mall (Phuket), and AIS shop Kakorn Rachaseema. AIS shop and Serenade plan also aims to serve our customers in Southern North Eastern area with Experience shop where customers can tryout different products, receive advices and suggestions from our knowledgeable staffs, and seek for help at our Technology Support desks. We believe that this concept very well suit our customer's lifestyle in the upcountry market where behaviors are developing toward higher usage of data services.
- AIS shop and Serenade club has been improving the quality of our staffs by educating them necessary technical skills, knowledge of technology and communication skills. AIS trained 53 staffs in 2009 and 305 staffs in 2010 to become "Tech Experts".

- In 2010, AIS shop and Serenade club also trained our staffs to be able to recommend packages that would suit customers' usage behavior, contributing to the package sales increase of 28.3% at AIS shops, and of 65% at AIS call center.
- **Telewiz** also has been enhancing the quality of service by improving knowledge of staffs, reducing customers' complaints, and maximizing customers' satisfaction. In addition, Telewiz also trained staffs to be able to recommend packages that would suit customers' behaviors, contributing to 4% increase in our service quality. In 2010, more than 80% of Telewiz shops has passed the AIS standard, while the sales of the shop increase by 119% year on year.

## Daily Exclusiveness for AIS Customers

Aside from highest quality network, best customer service is also what we are aiming for. AIS customers will enjoy several privileges that suit their lifestyles. We come up with "**Daily Exclusivity**" for AIS customers to ensure that our customers' everyday will fill with exclusiveness, satisfaction, and joy.



- **Daily Exclusiveness for AIS Customers** AIS provides privileges that suit our customers' lifestyle covering Shopping promotion, Dining promotion, Entertainment promotion and Transportation promotion. In 2010, AIS lets its customers buy several Bangkok Airways packages at special prices. Moreover, AIS together with more than 200 retail partners, provides discounts to more than 5,000 stores across Thailand. This promotion is very well perceived witness by more than 2 million subscribers who have enjoyed the privileges last year.

In addition, AIS also have special privileges for customers in special occasions. During moon cake festival, AIS also provide our customers with S&P "Nong Aun Jai" moon cakes (Limited Edition) at a special price. During Buddhist holiday like Makhabucha, AIS offer our customers with lotus lantern packages for viantian. In December, AIS also give our customers candles packages to celebrate King Bhumiphol's birthday ceremony.

- **Exclusive Privilege for Serenade Members.** With our "Always Exclusive, Always On Top" campaign, AIS offers our serenade customers who like to travel with several privileges such as VIP Check-In service and free entrance to Bangkok Airways Business lounges. In addition, AIS also provides our customers free beverages at several coffee shops in airports throughout Thailand. In 2010, AIS has provided our serenade customers with three more coffee shops (Kafaesod at Surart Thani airport, Black Canyon at Chiang Rai airport and Ubon Ratchathani airport) where they can get free beverages. Aside from free calls in AIS network, Serenade members also receive free "Beautiful Sunday" ice-cream at Swensen's and Baht 100 discount when they purchase cakes at any S&P.

AIS also offers Serenade members in upcountry area with Serenade Exclusive Party in Chiang Mai, Samui and Surat Thani; Serenade members in Bangkok are also free to join.

- **AIS Device Privilege.** For highest customers' satisfaction in device choosing process, AIS offers several discount packages for different devices and complete services. For example, AIS gives our customers with up to Baht 2,400 cash back and up to 3 months of free EDGE/GPRS for smartphone users. AIS also provides our customers with a promotional "Wednesday Special" period; AIS awards the first 10 customers who contact AIS shop within the promotional period with up to Baht 3,000 discounts. In 2010, AIS customer participation rate in the program increase 114% year on year.







- AIS Reward Program.** AIS give our customers with a lucky draw ticket for every Baht 300 usage per month; the ticket entitles the holders to win several big prizes. In 2010, the prize for the lucky draw comprises of World Cup Final tickets with a 7 days 4 nights packages tour in South Africa worth more than Baht 5 million, and “Close gold shop - shop 1 million for free” worth more than Baht 7 million. Currently, more than 6.2 million customers participate in the AIS Reward Program.
- Special Privilege for Corporate Customers.** AIS realizes that corporate customers have different needs than other customers. Therefore, AIS has offered our corporate customers with privileges such as eService where they can check details about their usages via AIS website so that corporations can manage their usage accordingly. AIS also offers any corporate numbers satisfied the minimum usage requirement Serenade Gold membership. Also, AIS arranges several activities to maximize the benefits for the corporations. For example, AIS arranged “AIS Business Forum 2010” to encourage new creative ideas and synergy to tackle current economic and societal problems.

AIS strongly believes that highest customers satisfaction in our devices, services networks and special privileges will be key factors toward AIS’s sustainable growth.

### Distribution and Distribution Channels

A successful distribution strategy helps enhance the growth and provide greater accessibility to devices and services for customers. We focus on building diverse and extensive distribution channels countrywide to serve our customers and also developing a strong relationship with distributors. Our distribution strategy is developed in alignment with the company’s strategy to build “EcoSystem” among network provider (AIS), devices, content partners, and business alliances. AIS distribution channels are categorized into 3 types including 1) Distributors 2) Electronic channels and 3) Direct sales whereby approximately 80 - 90% are operated through distributors and electronic channels and the remaining are direct sale.





## 1. Distributors

AIS carefully appoints distributors by considering their locations, previous performance and achievements and financial status. These can ensure that the distributors possess capability to operate the business and being able to consistently take care of customers especially in the provincial areas. To ensure long-term quality of services and creditability, the appointed distributors must be a well-established business within the area to ensure their knowledge of the local market. Presently, AIS distributors are classified as following:

### 1.1 Exclusive Dealer “Telewiz”

AIS has a total of 100 exclusive distributors covering more than 500 Telewiz shops across the country, increased from 350 shops last year. Telewiz Express were upgraded to higher quality Telewiz shops class. These distributors are able to use the Telewiz trademark to sell AIS products and services. The distributor is entitled to 1) sell the products under the company’s trademark and 2) process registration for service subscription, and handle payment of service charges. AIS shall determine conditions, control quality and set service standard and operational guidelines for the distributor, such as, selection and development of location, advertising and sale promotion activity, and services provisioning to maintain AIS standards. The

distributor shall receive remuneration from customer subscription and financial support for marketing activity as determined by AIS.

### 1.2 General Dealers

AIS has more than 500 general dealers who have their own shops to sell AIS products, e.g. mobile phones, data cards, starter kits, cash cards, device accessories. In addition to the income from selling of products and services, the dealers also receive commission from service subscription to AIS as well as financial support for marketing activity as determined by AIS.

### 1.3 Key Account and Modern Trade

AIS distributes the products through key accounts who have their own branches or chain stores across the country, such as, Jay Mart, Blisstel, IEC, SAMART i-Mobile and TG. The modern trade shops include Ekachai Distribution System (Tesco Lotus), Power Buy, 7-Eleven, etc. These key account and modern trade are distributed across the country with more than 50 branded shops consisting of more than 8,400 branches.

### 1.4 Smart Shops

More than 200 smart shops locate in mobile phone and IT products zones in several parts of the country. These shops are designated to take postpaid subscription and to act as local distribution center to all other retail shops around such areas.

### 1.5 One-2-Call!

One-2-Call!, prepaid subscribers has been expanded to consumer groups in all parts of the country with more than 90% of total subscribers. AIS focus on enhancing efficiency in approaching the customers and increase covering sale areas together with closer relation with the both retail and wholesale dealers as classified into 2 minor groups:

- Advanced Distribution Partnership or ADP approximately 100 shops are selected among the Telewiz distributors and general dealers. The ADP must have potential to distribute the products and solid financial health to manage quick delivery of products to Advanced Retail Shops in their own area and to support marketing activity in the area. The ADP receives a special management fee from AIS.
- Advanced Retail Shop or ARS is the key customer contact point as these shops sell products directly to customers. Presently, there are more than 25,000 ARSs and increasing following the community growth. In addition to profit from selling SIM cards and cash cards, ARS also receives compensation directly from AIS upon achieving sales targets.

Additionally, AIS also distributes cash cards through non-telecom channels such as bookstores, convenient stores, gas stations, music shops, department stores, superstores, post offices, banks, etc.

### 1.6 GSM 1800

DPC, a subsidiary of AIS, distributes GSM 1800 products and services through more than 600 distributors who are the same distributors of GSM advance as mentioned above.

## 2. Electronic Channels

To increase customers accessibility, AIS develops several electronic channels to facilitate customers and, at the same time, reduce cost of operation. Electronic channels include Refill On Mobile (ROM) whose AIS representatives can top-up prepaid accounts without scratch cards. With cooperation commercial banks, AIS customers can refill or pay service fees via ATM or internet banking. Also, the customers can refill from their mobile phone by using mPAY service. We also develop various electronic channels including automatic cash top-up machine, internet. At present, AIS distributes cash top-up and others services through more than 400,000 electronic channels.

## 3. Direct Sales

To enhance the efficiency of distribution channels to offer products and services directly to the customer groups, AIS also uses a direct sale channel by appointing AIS Direct Sales team to respond to market growth in the future.