

Auditor's Report

To the Shareholders of CAT Telecom Public Company Limited

The Office of the Auditor General has audited the accompanying financial statements in which the equity method is applied and the Company only of CAT Telecom Public Company Limited, which comprise the statements of financial position in which the equity method is applied and the Company only as at December 31, 2014, the related statements of income, comprehensive income, changes in shareholders' equity and cash flows in which the equity method is applied and the Company only for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

The Office of the Auditor General's responsibility is to express an opinion on these financial statements based on the Office of the Auditor General's audit. The Office of the Auditor General conducted audit in accordance with Thai Standards on Auditing. Those standards require that the Office of the Auditor General comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The Office of the Auditor General believes that the audit evidence the Office of the Auditor General has obtained is sufficient and appropriate to provide a basis for the Office of the Auditor General's audit opinion.

Basis for Qualified Opinion

According to Note 44 to the financial statements, the Company has leased the fibre optic cable network (FTTx) together with equipment to provide the FTTx service to 11 provinces in regional areas. The Company, however, has not recognised the rental expenses because the agreements were not approved in accordance with the law governing budgeting. The rental in Hemaraj Eastern Seaboard Industrial Estates and Eastern Seaboard Industrial Estate (Rayong) started from the network receipt date to February 7, 2013, the contract termination date by the lessor, was Baht 220.95 million. The rent in Pattaya (Fiber- to-the Home) where is the first place to celebrate His Majesty the King's Birthday December 5, 2009 started from the network receipt date to August 31, 2013, the contract termination date by the lessor, was Baht 390.62 million, totalling Baht 611.57 million. If the Company had recognised

these expenses, opening balance of retained earnings would be decreased by Baht 611.57 million. Furthermore, current liabilities would be increased by Baht 611.57 million and shareholder's equity would be decreased with the same amount.

Qualified Opinion

In the Office of the Auditor General's opinion, except for the effects of the matters described in the Basis for Qualified Opinion, the financial statements in which the equity method is applied and the Company's financial statements only referred to above present fairly, in all material respects, the financial position of CAT Telecom Public Company Limited as at December 31, 2014, and its results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matters

The Office of the Auditor General draws attention to the note 38, contingent liabilities, contingent assets and commitments, of the following matters;

38 (a) obligation to uncertainty of access charge under concession agreements

38 (b) obligation to universal service obligations

38 (e) obligation to pending litigations.

The Office of the Auditor General does not qualify in respect of these matters.



(signed) Mrs. Pattra Showsri

Mrs. Pattra Showsri

Director of Financial Audit Office No. 6



(signed) Mr. Pravit Tuntrajin

Mr. Pravit Tuntrajin

Group Director