Advanced Info Service Public Company Limited

Full Rating Report

Ratings

Foreign Currency	
Long-Term IDR	BBB+
Local Currency	
Long-Term IDR	BBB+
National	
Long-Term Rating	AA(tha)
Short-Term Rating	F1+(tha)
Senior Unsecured	AA(tha)

Outlooks

Long-Term Foreign-Currency IDR	Stable
Long-Term Local-Currency IDR	Stable
National Long-Term Rating	Stable

Financial Data

Advanced Info Service Public Company Limited

	Dec 11	Dec 10
Revenue (THBm)	126,438	111,280
Revenue (USDm)	4,079	3,590
EBITDAR (THBm)	58,203	53,393
EBITDAR (USDm)	1,878	1,722
EBITDAR margin (%)	46.0	48.0
Free cash flow (THBbn)	17,986	-11,781
Free cash flow (USDm)	580	-380
Capex/sale (%)	4.7	4.5
Net adjusted debt/EBITDAR (x)	0.4	0.7
Cellular market share (%)	44	44

Related Research

Rating Global Telecoms Companies: Sector Credit Factors (September 2010)

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Key Rating Drivers

Legal and Regulatory Risks: The upcoming issuance of 3G licences could prove a positive step towards industry restructuring, but key credit concerns for the Thai telecom sector remain the uncertainty over regulatory policy and legal issues. These include the pending review of concession amendments, tighter restrictions on foreign-ownership laws, and the concession expiration. An increase in competition in the cellular market could also affect margins.

Leading Market Position: Advanced Info Service Public Company Limited (AIS) enjoys a strong market position as the largest mobile operator in Thailand. The company benefits from a competitive cost structure due to its large subscriber base, with revenue market share of 53% in 2011. AIS's market position is also supported by its strong brand and extensive network coverage.

Strong Non-Voice Growth: It was the non-voice revenue growth which has helped maintain revenue during the past two years, despite a slowdown in the traditional voice segment. Revenue and EBITDAR grew by 13.6% and 9%, respectively, in 2011. Financial leverage remained low, with funds flow from operations (FFO)-adjusted net leverage of 0.3x at end-2011.

Flexibility to Support Investment: A surge in capex for the 3G network could raise leverage during the initial network rollout phase, but Fitch Ratings believes that the low existing leverage should provide flexibility to absorb the new investment. The agency expects AIS to continue to generate solid operating cash flow and maintain low leverage in the medium term, notwithstanding its large 3G investment.

What Could Trigger a Rating Action

Positive Factors: The ratings could benefit from a favourable resolution of regulatory issues and from diversification into other telecom businesses.

Negative Factors: Conversely, the ratings could be hurt by unfavourable regulatory changes, or from an increase in FFO-adjusted net leverage above 1.5x on a sustained basis. A downgrade of Fitch's 'BBB+' Country Ceiling for Thailand would also lead to a downgrade in AIS's Long-Term Foreign-Currency IDR.

Liquidity and Debt Structure

Strong Liquidity: Cash reserves were high at THB18.4bn as of end-2011, compared with THB5.5bn of debt due to mature in 2012. Liquidity is further supported by cash flow generation and the ability to access the local debt market – together with close relationships with local banks and investors.

Key Contents

Key Rating Issues

Regulatory, Policy and Legal Risks

The pending review of concessions for private telecoms operators could lead to substantial claims by the state-owned telcos – TOT Public Company Limited (TOT) and CAT Telecom Public Company Limited (CAT) – against their concessionaires, AIS, Total Access Communication Public Company Limited (DTAC, 'BBB−'/Stable) and True Move Company Limited. Other concerns include tighter scrutiny of foreign-ownership laws, which could affect new investment and shareholder support; and the pending lawsuit regarding the excise tax payment.

Strong Non-Voice Growth

Mid-single-digit service revenue growth in 2012

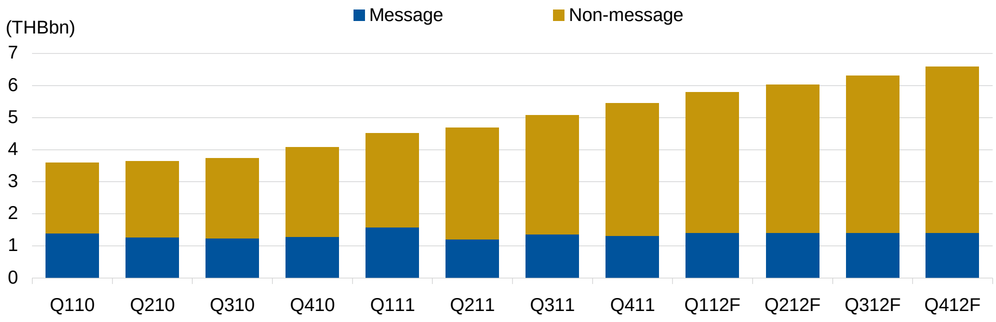
Fitch expects AIS's service revenue to grow at a mid-single-digit rate in 2012, driven mainly by an increase in non-voice revenue. The agency also expects voice revenue growth to continue but at a low-single-digit rate – with expected net subscriber additions of around 1.5-2 million (2011: 2.3 million).

Fitch feels there is still room for subscriber growth, particularly in the upcountry areas, despite the high 112% mobile penetration rate. The agency believes that the high penetration rate is distorted to some extent by the number of subscribers who hold multiple devices such as mobile phones, tablets and air cards. This is particularly the case in Bangkok and major city areas. Fitch estimates the penetration rate upcountry remains moderate at around 70%-80%.

Non-voice is a key revenue driver

Figure 1

AIS: Components of Non-Voice Service Revenue



Source: AIS, Fitch

Fitch expects AIS's non-voice revenue to grow by 20%-25% in 2012 (2011: 31%). The low number of 3G subscribers (accounting for 3.6% of the total subscriber base at end-2011) compared with that of other countries in the region, should help support the take-up of data in the medium term. In addition, the growing popularity of social network applications and limited fixed-line internet access in Thailand should drive mobile internet demand and smart-device adoption (including smartphones, tablets and air cards) over the next three years. In 2011, AIS's non-messaging data revenue grew strongly – by 45%, to THB14.3bn from THB9.9bn in 2010 – while message revenue rose moderately, by 5.6% to THB5.4bn from THB5.1bn in 2010.

Related Criteria

Corporate Rating Methodology (August 2011)

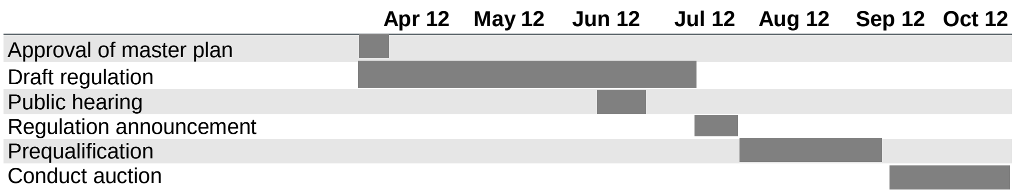
While awaiting issuance of the 2.1GHz 3G licences, AIS aims to maintain positive momentum in non-voice market growth by continued expansion of its interim 3G service on the existing 900MHz spectrum. The company has budgeted around THB8bn of capex for the addition of 2,000 new 3G base stations in Bangkok and other major cities in 2012.

3G licensing is a priority in 2012

3G Auction in H212

Fitch expects the auction of the new 2.1GHz 3G licences to take place in H212. The government and the regulator – the National Broadcasting and Telecommunication Commission (NBTC) – are now treating the new licensing as a priority. They feel that the rollout of 3G technology should result in substantial improvement in communication and cost-efficiency, and help stimulate consumption and private investment.

Figure 2
Expected Timeline for 3G Auction



Source: Fitch estimates, based on news and interviews by NBTC

However, Fitch feels that some risks remain to this timetable, as there are a number of details still to be finalised. These include the auction reserve price, regulatory fee, network rollout condition, and other supporting regulations such as infrastructure-sharing, the preparation for concession expiration and subscriber migration, and the review of foreign-domination regulation. The NBTC is drafting the regulation and the terms of reference for the licences. The draft regulation will be submitted for public hearing before the official regulation announcement to the public, expected in June 2012.

More aggressive subscriber acquisition after 2.1GHz 3G rollout

Higher Competition in Non-Voice

Fitch expects price competition to intensify following the rollout of the 2.1GHz 3G service expected in 2013. Since 2G concessions are approaching the expiration date, the agency expects competition on lower data tariffs and an offering of unlimited data plans to encourage existing 2G subscribers and new customers to subscribe to the new service.

Strong growth in data subscribers should support non-voice revenue in the medium term, while a key challenge for operators over the longer term (particularly with data subscriber growth slowing) is the ability to transition these buffet packages over to a variety of tiered packages – where subscribers pay according to their data usage. In addition, higher data usage from a wider adoption of high bandwidth devices (i.e. tablet PCs and aircards) may place serious constraints on network capacity, resulting in higher capex and lower FCF.

Rating Issues Register

Issue	Fitch view	Likelihood, timescale, rating impact	More information
Strong growth in non-voice revenue: Non-voice revenue has been a key revenue driver for major operators over the past few years, and has helped offset the slowdown in traditional voice revenues due to high market penetration.	The proportion of non-voice revenue for Thai mobile operators remains low, and Fitch expects double-digit growth rate in the medium term – driven by smartphone adoption and the 3G technology upgrade.	Likelihood: High Timescale: 12-24 month Rating impact: Positive	Further discussion above
Large investment for technology upgrade: The auction of 3G licences could occur in H212 following the establishment of the new regulator, the NBTC, in October 2011.	The new 3G licences should help pave the way towards industry restructuring, while the high upfront fee and capex for 3G rollout could weaken financial leverage during the first three years of rollout. Nonetheless, AIS's strong financial position should provide sufficient flexibility to support its investments.	Likelihood: High Timescale:12-36 months Rating impact: Neutral to negative	Further discussion above
Lower regulatory costs for 3G: The 3G licence is classified as a "type 3" licence, the same as those granted to TOT and CAT. The NTC has previously set fees of about 7% of revenue per annum (3% licence fee and 4% universal service obligation fee), which is significantly lower than the 20%-30% of revenue-sharing under the concession scheme.	The 3G licence fee is still subject to an official announcement, and could possibly be higher than expected, but Fitch believes 3G licence fees will still be lower than the existing revenue-sharing charges under the concession scheme.	Likelihood: Medium to high Timescale: 12-36 months Rating impact: Positive	Further discussion above
Higher non-voice competition: As the Thai mobile market approaches saturation in terms of penetration rate, major mobile operators have shifted their strategy to boost revenue from existing customers – particularly the non-voice segment.	Fitch expects price competition to increase in the non-voice segment following the rollout of the 2.1GHz 3G network. Major operators are likely to compete with each other by offering low data tariffs and buffet packages, to encourage subscribers to sign up to data plans. In addition, a significant increase in data usage (with a greater adoption of high bandwidth devices) could place serious constraints on network capacity, resulting in higher capex and lower FCF.	Likelihood: Medium to high Timescale: 12-36 months Rating impact: Negative	Further discussion above
Policy, legal and regulatory risks: These include the compensation regarding the past concession amendments, uncertainty of 2G concession conversion, and the stricter laws on foreign ownership.	The policy, legal and regulatory risks will remain the key concerns for the Thai telecoms sector in the medium term. The review of concession amendments, although unlikely to be concluded in the short term, could lead to substantial claims by the state telecom operators. Other concerns include tighter scrutiny of foreign-ownership laws, which could affect new investment and shareholder support; and the pending lawsuit regarding the excise tax payment.	Likelihood: High Timescale: 12-36 months Rating impact: Negative	Further discussion above

Source: Fitch

Sector Performance and Expectations

	2009	2010	2011	Expectation
Revenue				
Service revenue	81,422	87,516	97,911	AIS is likely to report mid-single-digit revenue growth in 2012. Non-voice revenue will remain the key revenue driver, with a double-digit growth rate. However, voice revenue is likely to slow to a low-single-digit pace, given the high mobile penetration rate.
- Voice revenue	64,019	65,942	71,429	
- Non-voice revenue	11,528	15,040	19,736	
- International roaming	2,341	2,703	2,533	
- Other (IDD and others)	3,554	3,831	4,212	
Interconnection revenue	14,370	14,474	15,346	
Sales revenue	6,639	9,349	13,180	
Profitability				
EBITDAR	47,395	53,393	58,202	The EBITDAR margin is likely to be stable in 2012. Ongoing cost-control measures are likely to be offset by higher marketing expenses for promoting the 3G service.
EBITDAR margin (%)	46.3	48.0	46.0	
Cash flow				
FFO	37,669	43,538	45,623	FCF in 2012 is likely to decrease significantly, due to an increase in network capex and the payment of the upfront 3G licence fee.
Capex	9,915	5,189	5,707	
Dividend	18,709	51,351	24,102	
Free cash flow	9,983	-11,781	17,986	

Source: AIS, Fitch

Fitch's internally generated expectations for key leverage and coverage metrics are shown on the next page.

Strong Operating Cash Flow

Limited room for margin improvement

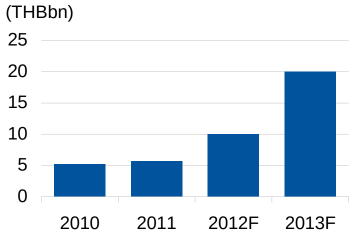
Fitch expects AIS will continue to generate strong FFO in the range of THB45bn-48bn in 2012. This is driven mainly by a moderate expected revenue growth. Nevertheless, the EBITDAR margin is likely to contract slightly, but remain strong in the range of 44%-45% in 2012 (2011: 46%). Fitch expects network operating expenses to increase in line with network capex in 2012, while marketing expenses could rise on greater marketing activities to promote 3G service and smartphone sales – as well as the ongoing expenses regarding the rebranding campaign.

High Capex for 3G Investment

Fitch expects AIS's overall capex to increase significantly assuming the 3G licence is granted in Q312, and estimates the network rollout cost (over 2013-2015) at around THB20bn-25bn per annum. This is in addition to the upfront licence fee for the 2.1GHz 3G spectrum in 2012; the regulator indicated that the reserve price for 3G licence auction is likely to be in the range of THB7bn-10bn.

Figure 3

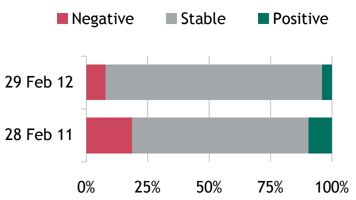
AIS's Capex



Source: Company report, Fitch

Advanced Info Service Public Company Limited — Telecommunications Median —
Emerging BBB Cat Median — Source: Company data; Fitch

Distribution of Sector Outlooks
Directional Outlooks and Rating Watches



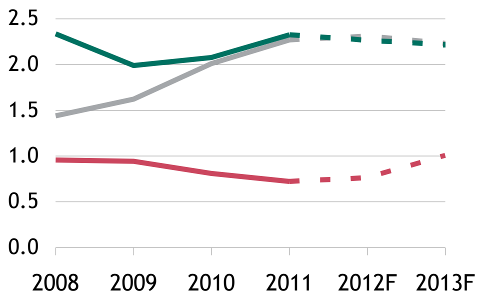
Fitch's expectations are based on the agency's internally produced, conservative rating case forecasts. They do not represent the forecasts of rated issuers individually or in aggregate. Key Fitch forecast assumptions include:

- mid-single-digit revenue growth supported mainly by growth in non-voice revenue;
- margin slightly easing;
- higher capex for 3G investment, including licence fee payment in 2012 and network investment from 2013.

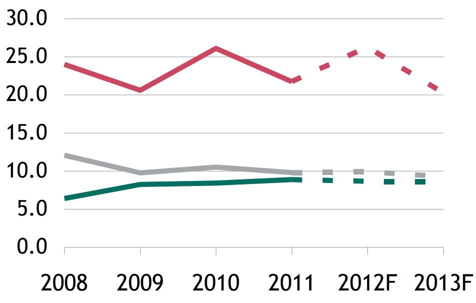
Definitions

- Leverage: Gross debt plus lease adjustment minus equity credit for hybrid instruments plus preferred stock divided by FFO plus gross interest paid plus preferred dividends plus rental expense.
- Interest cover: FFO plus gross interest paid plus preferred dividends divided by gross interest paid plus preferred dividends.
- FCF/revenue: FCF after dividends divided by revenue.
- FFO profitability: FFO divided by revenue.
- For further discussion of the interpretation of the tables and graphs in this report, see Fitch's *Interpreting the New EMEA and Asia-Pacific Corporates Credit Update Format*, dated 25 November 2009 and available at www.fitchratings.com.

Leverage
including Fitch expectations



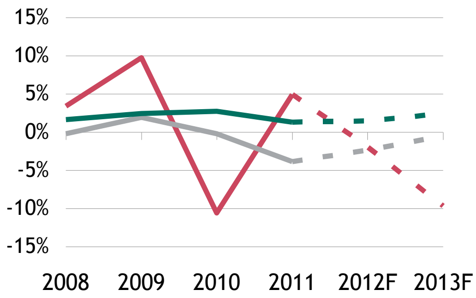
Interest Cover
including Fitch expectations



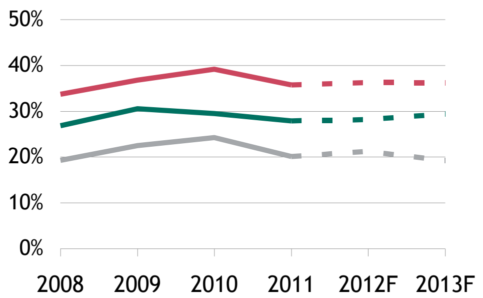
Debt Maturities and Liquidity at End-2011

Debt maturities	(THBm)
2012	5,494
2013	8,000
2014	5,439
2015	1,093
After 2015	1,980
Cash and equivalents	18,361
Undrawn committed facilities (expiry)	0

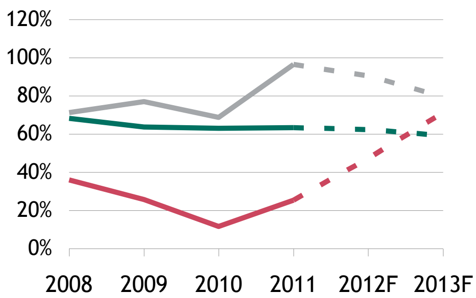
FCF/Revenues
including Fitch expectations



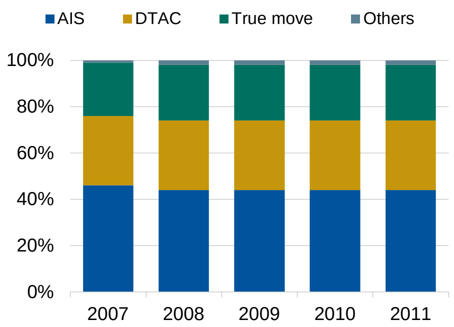
FFO Profitability
including Fitch expectations



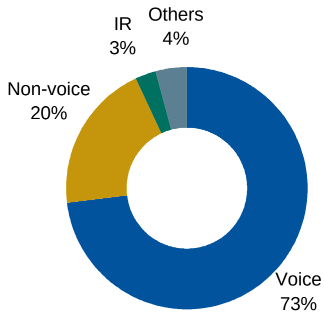
Capex/CFO
including Fitch expectations



Subscriber Market Share



FY11 Revenue Breakdown



Sector Credit Factors Mapping

Advanced Info Service Public Company Limited (AIS) ('BBB+'/Stable) as at 15 May 2011 — Thailand

	Sector risk profile	Company Specific Traits					Financial profile (historical where relevant and forecast, mid-points)					
		Competitive position	Diversity of service platforms	Technology leadership/ infrastructure quality	Financial flexibility	Regulatory risk	OP.EBITDAR (USD)	FFO adj. leverage (x)	FFO adj.net leverage (x)	FFO int. cover (x)	OP.EBITDAR margin (%)	Pre div FCF/ sales (%)
AA												
A		• Large scale, dominant market position, • Diversified service portfolio, good geographical footprint	• Operates multiple established platforms for providing service. Commonly wired and wireless	• Infrastructure of high quality. Leading edge technology deployed widely in a timely manner	• Strong reliable access to capital markets. Debt maturities are spread and manageable. Liquidity is strong with solid cash balances and free cash flow generation	• Regulatory risk is benign or low	>5bn	2.5	2.0	8	c. 35	15
BBB	• Incumbent operators	• Medium Scale, Strong Market Position, Average geographical footprint, Service Portfolio may be heavily weighted to one service.	• May operate multiple platforms, but one may be developing with one established	• Infrastructure quality is solid. Leading edge technology deployed more narrowly or at a slower pace	• Strong reliable access to capital markets. Debt maturities may be lumpy. Liquidity may be limited due to weaker cash balances or free cash flow generation	• Regulatory risk is moderate	>3bn	3.0	2.5	6	c. 30	10
BB	• Emerging or "niche" provider	• Small scale, market challenger, lack of service diversity, weak geographical footprint	• Operates one established platform	• Infrastructure is questionable. Leading edge technology not deployed	• Access to capital markets may be uncertain. Maturity schedule is a material concern. Cash balances or free cash flow generation may be minimal	• Regulatory risk is medium, or trending higher	>800m	4.0	4.0	4	c. 20	0-7
B		• Little to no scale, market challenger, lack of service diversity, weak geographical footprint	• May be developing a single platform or may not own platform	• Limited infrastructure deployment or quality is out-dated	• Limited or lack of access to capital markets. Maturity schedule is a concern. Cash balances are minimal or free cash flow is negative	• Regulatory environment is clearly unfavorable	<800m	5.0	5.0	3	c. 15	Negative -2

General
- Essential service
- Broadly constant demand
- Technology risk
- High barriers to entry
- Regulated or franchised services
- Economies of scale
- Corporate governance

Source: Fitch. Indicative factors observed or extrapolated for rated issuers in developed and emerging markets. Ratio levels refer to the mid-point of a through-the-cycle range; actual observations are likely to vary from these. Certain sub-sectors may contain a small number of observations; where no observations currently exist, guidelines for a category are extrapolated based on Fitch judgement. The factors give a high-level overview and are neither exhaustive in scope nor uniformly applicable. Additional factors will influence ratings, particularly in emerging markets and where group relationships constrain or enhance a rating level. The shaded areas above the vertical block arrows indicate potential rating levels which exceptionally strong performance within the sector risk profile, company-specific traits, or financial profile could indicate.

Peer Group

Issuer	Country
BBB+	
Advanced Info Service Public Company Limited	Thailand
BBB	
PT Telekomunikasi Selular (Telkomsel)	Indonesia
BBB−	
Philippine Long Distance Telephone Company (PLDT)	Philippines
Total Access Communication Public Company Limited	Thailand

Issuer Rating History

Date	FC LT IDR	Outlook/ Watch
12 May 11	BBB+	Stable
14 May 10	BBB+	Stable
7 May 09	BBB+	Stable
11 Apr 08	BBB+	Stable
23 Feb 07	BBB+	RWN

"RW" denotes Rating Watch

Immediate Peer Group – Comparative Analysis

Sector Characteristics

Operating Risks

Cellular services remain the principal driver of growth in Asia's emerging telecoms markets. The pace is slowing, however, with penetration now quite high (at over 60%) in all major markets except India. In most Asian markets, data is the key driver of growth.

Financial Risks

Most emerging markets in Asia exhibit concentration of market share among a few major operators, and leading players with high operating margins and investment needs. However, margins, while still high, have been trending downwards in recent years due to competition, however in most markets increasing demand is preventing cash from operations from declining.

Peer Group Analysis

2011 (USDm)	AIS 'BBB+'/Stable	Telkomsel 'BBB'/Stable	DTAC 'BBB−'/Stable	PLDT 'BBB−'/Stable
Revenue	4,079	5,115	2,549	3,658
EBITDAR	1,878	3,174	927	2,041
EBITDAR margin (%)	46.0	62.1	36.3	55.8
Funds from operations	1,472	2,647	724	1,517
Free cash flow	580	755	432	-42
FFO adjusted net leverage (x)	0.3	0.3	Net cash	1.5
FFO fixed charge coverage (x)	16.0	15.05	53.1	5.9
Capex/revenue (%)	4.5	16.68	6.9	21.0

Source: Fitch, companies

Key Credit Characteristics

Each of these companies holds well-entrenched market positions. However, there are some differences in terms of investment requirements and FCF generation. The Thai and Philippine operators generate strong pre-dividend FCF. However, capex is set to rise significantly in both countries. Indonesia's Telkomsel generates only moderately positive pre-dividend FCF, as it is investing heavily due to high growth.

Overview of Companies

Advanced Info Service Public Company Limited (AIS, 'BBB+'/Stable) – Thailand's largest mobile phone operator. Fitch expects AIS to maintain its leading market position and strong cash flow generation, as well as a conservative capital structure.

PT Telekomunikasi Selular (**Telkomsel**, 'BBB'/Stable) – the leading cellular services operator in Indonesia, and one of the highest-margin generators among global telecoms companies. Telkomsel has consistently achieved impressive operating and financial results, and has exceptionally strong coverage ratios for its ratings.

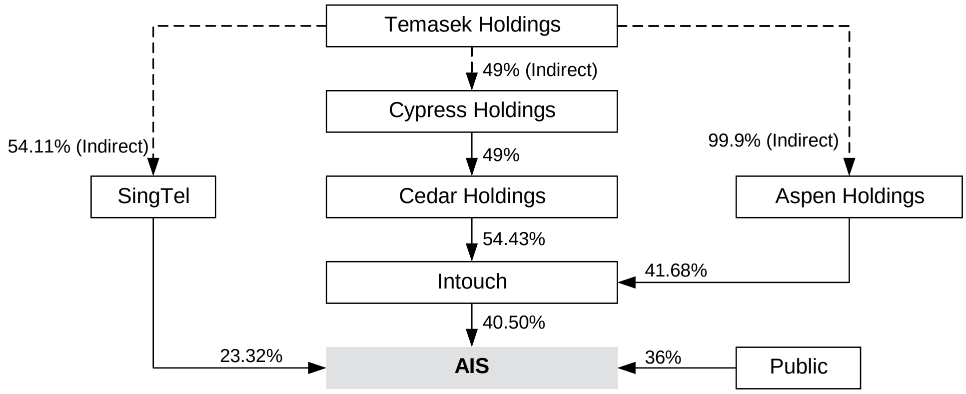
Total Access Communication Public Company Limited (DTAC, 'BBB−'/Stable) – the second-largest telecoms operator in Thailand, with a market share of 30% at end-2011. The company has consistently generated strong earnings and operating cash flow from operations, with substantial commitment from its parent, Telenor.

Philippine Long Distance Telephone Company (**PLDT**, 'BBB−'/Stable) – the national incumbent telecoms operator; with a leading market share in fixed-line and cellular services, and a dominant share of the nascent broadband market.

Group Structure Diagram

Figure 4

AIS's Shareholding Structure



Source: Intouch, AIS

This diagram is a stylised summary of Fitch's understanding of the key features of the issuer group's legal structure at the date of publication. It is based on publicly available information. It cannot include all relevant details, or all subsidiaries, and may change over time.

Advanced Info Service Public Company Limited
FINANCIAL SUMMARY

	31 Dec 2011 THBm Original	31 Dec 2010 THBm Original	31 Dec 2009 THBm Original	31 Dec 2008 THBm Original	31 Dec 2007 THBm Original
Profitability					
Revenue	126,437	111,280	102,451	110,792	108,454
Revenue Growth (%)	13.62	8.62	(7.53)	2.16	18.62
Operating EBIT	39,144	32,859	26,166	27,807	25,072
Operating EBITDA	56,819	52,226	46,186	46,651	43,904
Operating EBITDA Margin (%)	44.94	46.93	45.08	42.11	40.48
FFO Return on Adjusted Capital (%)	67.10	53.12	34.33	33.17	34.00
Free Cash Flow Margin (%)	14.23	(10.59)	9.74	3.41	(1.33)
Coverages (x)					
FFO Gross Interest Coverage	28.39	26.10	20.61	23.98	22.06
Operating EBITDA/Gross Interest Expense	34.11	30.10	24.04	28.70	25.51
FFO Fixed Charge Coverage (inc. Rents)	15.96	16.00	13.03	13.50	13.93
FCF Debt-Service Coverage	2.75	(0.56)	4.48	0.59	0.04
Cash Flow from Operations/Capital Expenditures	8.37	8.63	3.89	2.78	2.01
Debt Leverage of Cash Flow (x)					
Total Debt with Equity Credit/Operating EBITDA	0.39	0.70	0.81	0.80	0.70
Total Debt Less Unrestricted Cash/Operating EBITDA	0.06	0.50	0.28	0.48	0.54
Debt Leverage Including Rentals (x)					
Annual hire lease rent costs for long-term assets (reported and/or estimate)	1,384	1,167	1,209	1,362	1,082
Gross Lease Adjusted Debt/Operating EBITDAR	0.57	0.86	0.99	1.00	0.88
Gross Lease Adjusted Debt /FFO+Int+Rentals	0.68	0.99	1.15	1.19	1.01
FCF/Lease Adjusted Debt (%)	54.38	(25.64)	21.23	7.83	(3.65)
Debt Leverage Including Leases and Pension Adjustment (x)					
Pension and Lease Adjusted Debt /EBITDAR + Pension Cost	0.57	0.86	0.99	1.00	0.88
Liquidity					
(Free Cash Flow+Available Cash+Committed Facils)/(ST Debt + Interest) (%)	532.78	2.27	1,359.93	223.08	99.80
Balance Sheet Summary					
Cash and Equivalents (Unrestricted)	18,361	10,451	24,261	15,009	6,822
Restricted Cash and Equivalents	3,526	2,166	906	1,315	1,495
Short-Term Debt	5,469	16,128	738	7,524	5,398
Long-Term Senior Debt	16,537	20,478	36,620	29,774	25,312
of which subordinated debt	0	0	0	0	0
Equity Credit	0	0	0	0	0
Total Debt with Equity Credit	22,006	36,605	37,358	37,298	30,710
Off-Balance-Sheet Debt	11,072	9,336	9,672	10,896	8,656
Lease-Adjusted Debt	33,078	45,941	47,030	48,194	39,366
Fitch- identified Pension Deficit	0	0	0	0	0
Pension Adjusted Debt	33,078	45,941	47,030	48,194	39,366
Cash Flow Summary					
Operating EBITDA	56,819	52,226	46,186	46,651	43,904
Gross Cash Interest Expense	(1,666)	(1,735)	(1,921)	(1,625)	(1,721)
Cash Tax	(14,365)	(9,367)	(7,419)	(8,381)	(7,562)
Associate Dividends	0	0	0	0	0
Other Items before FFO (incl. interest receivable)	4,835	2,414	823	707	1,614
Funds from Operations	**45,623**	**43,538**	**37,669**	**37,352**	**36,235**
Change in Working Capital	2,173	1,222	939	(2,309)	(1,910)
Cash Flow from Operations	**47,796**	**44,759**	**38,607**	**35,043**	**34,325**
Total Non-Operating/Non-Recurring Cash Flow	0	0	0	0	0
Capital Expenditures	(5,707)	(5,189)	(9,915)	(12,586)	(17,105)
Dividends Paid	(24,102)	(51,351)	(18,709)	(18,681)	(18,658)
Free Cash Flow	**17,986**	**(11,781)**	**9,983**	**3,775**	**(1,438)**
Net (Acquisitions)/Divestitures	13	33	21	132	27
Net Equity Proceeds/(Buyback)	29	339	296	283	278
Other Cash Flow Items	4,480	(1,648)	(1,108)	(2,591)	(180)
Total Change in Net Debt	22,508	(13,057)	9,192	1,599	(1,313)
Working Capital					
Accounts Receivable Days	18	19	21	23	22
Inventory Days	6	6	9	10	12
Accounts Payable Days	21	22	28	29	35

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