

AMERICA MOVIL SAB DE CV/
Form 6-K
September 29, 2014
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United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant To Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934
For the month of September 2014
Commission File Number: 1-16269

AMÉRICA MÓVIL, S.A.B. DE C.V.
(Exact Name of the Registrant as Specified in the Charter)

America Mobile
(Translation of Registrant's Name into English)

Lago Zurich 245

Plaza Carso / Edificio Telcel

Colonia Ampliación Granada

11529 México, D.F., México

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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The information in this report supplements information contained in our annual report on Form 20-F for the year ended December 31, 2013 (File No. 001-16269), filed with the U.S. Securities and Exchange Commission on April 30, 2014 (our 2013 Form 20-F).

Table of Contents**AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES****Unaudited Condensed Consolidated Statements of Financial Position**

(In thousands of Mexican pesos)

	At June 30,		At December 31,
	2014		2013
Assets			
Current assets:			
Cash and cash equivalents	Ps. 94,126,626	Ps.	48,163,550
Accounts receivable:			
Subscribers, distributors, recoverable taxes and other, net	126,705,743		127,872,657
Related parties (Note 6)	785,710		1,346,392
Derivative financial instruments	3,579,588		10,469,316
Inventories, net	30,742,322		36,718,953
Other assets, net	18,422,189		12,127,200
Total current assets	274,362,178		236,698,068
Non-current assets:			
Property, plant and equipment, net (Note 3)	500,827,260		501,106,951
Licenses and rights of use, net	36,905,957		37,053,832
Trademarks, net	1,133,390		1,166,306
Goodwill	95,428,607		92,486,284
Investment in associated companies (Note 4)	75,407,729		88,887,024
Deferred taxes	58,274,590		50,853,686
Other assets, net	18,572,692		17,340,282
Total assets	Ps. 1,060,912,403	Ps.	1,025,592,433
Liabilities and equity			
Current liabilities:			
Short-term debt and current portion of long-term debt (Note 5)	Ps. 51,465,649	Ps.	25,841,478
Accounts payable	165,693,049		154,137,312
Accrued liabilities	42,801,935		36,958,922
Taxes payable	24,493,349		22,082,241
Derivative financial instruments	4,850,105		5,366,323
Related parties (Note 6)	968,571		2,552,337
Deferred revenues	26,831,958		27,016,340
Total current liabilities	317,104,616		273,954,953

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Long-term debt (Note 5)	454,983,933	464,478,366
Deferred taxes	5,598,837	1,628,409
Deferred revenues	1,110,735	1,105,294
Asset retirement obligations	7,751,530	7,516,460
Employee benefits	62,583,423	66,607,874
Total liabilities	849,133,074	815,291,356
Equity (Note 8):		
Capital stock	96,387,712	96,392,339
Retained earnings:		
Prior periods	165,646,031	122,693,933
Profit for the period	32,719,647	74,624,979
Total retained earnings	198,365,678	197,318,912
Other comprehensive loss items	(91,581,721)	(91,310,640)
Equity attributable to equity holders of the parent	203,171,669	202,400,611
Non-controlling interests	8,607,660	7,900,466
Total equity	211,779,329	210,301,077
Total liabilities and equity	Ps. 1,060,912,403	Ps. 1,025,592,433

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Table of Contents**AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES****Unaudited Condensed Consolidated Statements of Comprehensive Income**

(In thousands of Mexican pesos, except for earnings per share)

	For the six-month periods ended June 30,		2013
	2014	(Restated Note 1b)	
Operating revenues:			
Mobile voice services	Ps. 125,809,442	Ps.	133,283,636
Fixed voice services	53,956,827		56,907,078
Mobile data voice services	88,938,143		77,649,540
Fixed data services	45,213,561		42,203,492
Paid television	33,328,086		29,874,998
Equipment, accessories, computer sale and other services	50,827,596		47,840,850
	398,073,655		387,759,594
Operating costs and expenses:			
Cost of sales and services	180,841,360		175,422,592
Commercial, administrative and general expenses	83,779,299		81,556,612
Other expenses	1,934,223		1,920,419
Depreciation and amortization	53,586,906		49,645,423
	320,141,788		308,545,046
Operating income	77,931,867		79,214,548
Interest income	5,808,980		2,673,376
Interest expense	(18,279,805)		(13,534,048)
Foreign currency exchange gain (loss), net	3,172,774		(6,484,435)
Valuation of derivatives, interest cost from labor obligations and other financial items, net	(12,716,981)		(2,051,738)
Equity interest in net income of associated companies	181,717		662,963
Profit before income tax	56,098,552		60,480,666
Income tax (Note 9)	23,192,459		19,329,651
Net profit for the period	Ps. 32,906,093	Ps.	41,151,015

Net profit for the period attributable to:

Equity holders of the parent	Ps.	32,719,647	Ps.	41,063,843
Non-controlling interests		186,446		87,172
	Ps.	32,906,093	Ps.	41,151,015

Basic and diluted earnings per share attributable to equity holders of the parent

Ps.	0.47	Ps.	0.55
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Other comprehensive income items:

Net other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:

Effect of translation of foreign entities	Ps.	(508,533)	Ps.	(18,164,862)
Effect of fair value of derivatives, net of deferred taxes		1,317		(540,797)

Items not to be reclassified to profit or loss in subsequent periods:

Remeasurement of defined benefit plan, net of deferred taxes		776,695		416,820
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Total other comprehensive income items for the period, net of deferred taxes

269,479	(18,288,839)
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Total comprehensive income for the period

Ps.	33,175,572	Ps.	22,862,176
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Comprehensive income for the period attributable to:

Equity holders of the parent	Ps.	32,448,566	Ps.	23,333,652
Non-controlling interests		727,006		(471,476)

Ps.	33,175,572	Ps.	22,862,176
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The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

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AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Unaudited Condensed Consolidated Statements of Changes in Equity

For the six-month period ended June 30, 2014

(In thousands of Mexican pesos)

Legal reserve	Retained earnings	Effect of derivative financial instruments acquired for hedging purposes, net of deferred taxes	Remeasurement of defined benefit plan, net of deferred taxes	Effect of translation of foreign entities	Total equity attributable to equity holders of the parent	No
Ps. 358,440	Ps. 196,960,472	Ps. (1,237,332)	Ps. (56,367,265)	Ps. (33,706,043)	Ps. 202,400,611	Ps.
	32,719,647				32,719,647	
			776,695		776,695	
		1,372			1,372	
				(1,049,148)	(1,049,148)	
	32,719,647	1,372	776,695	(1,049,148)	32,448,566	
	(16,677,120)				(16,677,120)	
	(14,982,797)				(14,987,424)	
	(12,964)				(12,964)	

Ps. 358,440 Ps. 198,007,238 Ps. (1,235,960) Ps. (55,590,570) Ps. (34,755,191) Ps. 203,171,669 Ps.

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Table of Contents**AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES****Unaudited Condensed Consolidated Statements of Changes in Equity****For the six-month period ended June 30, 2013**

(In thousands of Mexican pesos)

			Effect of derivative financial instruments acquired for hedging purposes, net of deferred taxes	Remeasurement of defined benefit plan, net of deferred taxes	Effect of translation of foreign entities	Total equity attributable to equity holders of the parent	Non-control interests
Capital stock	Legal reserve	Retained earnings					
414,841	Ps. 358,440	Ps. 210,598,355	Ps. (496,011)	Ps. (54,077,454)	Ps. (7,220,700)	Ps. 245,577,471	Ps. 9,270,7
		41,063,843				41,063,843	87,1
			(541,404)			(541,404)	6
				416,820		416,820	
					(17,605,607)	(17,605,607)	(559,2
		41,063,843	(541,404)	416,820	(17,605,607)	23,333,652	(471,4
		(16,256,247)				(16,256,247)	
(15,126)		(46,892,723)				(46,907,849)	

(204,282)

(204,282)

35,5

399,715 Ps. 358,440 Ps. 188,308,946 Ps. (1,037,415) Ps. (53,660,634) Ps. (24,826,307) Ps. 205,542,745 Ps. 8,834,8

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

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AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Unaudited Condensed Consolidated Statements of Cash Flows

(In thousands of Mexican pesos)

**For the six-month
period ended June 30,
2014**

2013

(Restated Note 1b)

Operating activities

	Ps.	56,098,552	Ps.	60,480,666
Profit before income tax				
Items not requiring the use of cash:				
Depreciation		49,234,966		45,983,082
Amortization of intangible assets		4,351,940		3,662,341
Equity interest in net income of associated companies		(181,717)		(662,963)
Loss (gain) on sale of property, plant and equipment		87,394		(8,032)
Net period cost of labor obligations		3,683,808		4,217,068
Foreign currency exchange loss, net		385,589		1,537,217
Interest income		(5,808,980)		(2,673,376)
Interest expense		18,279,805		13,534,048
Employee profit sharing		2,119,849		2,132,683
Loss (gain) in valuation of derivative financial instruments, capitalized interest expense and other, net		2,616,455		(5,121,448)
Loss on partial sale of investment in associated company.		4,546,097		-
Working capital changes:				
Accounts receivable from subscribers, distributors and other		2,544,957		(2,801,635)
Prepaid expenses		(5,193,717)		(4,419,260)
Related parties		(1,023,084)		782,784
Inventories		5,727,122		(5,444,887)
Other assets		(489,528)		270,979
Employee benefits		(4,247,184)		(5,546,562)
Accounts payable and accrued liabilities		(16,513,631)		(467,222)
Employee profit sharing paid		(4,092,519)		(1,630,267)
Financial instruments and other		2,695,900		(3,494,135)
Deferred revenues		70,450		(811,507)
Interest received		2,822,525		768,762
Income taxes paid		(15,280,724)		(25,854,064)
Net cash flows provided by operating activities		102,434,325		74,434,272

Investing activities

Purchase of property, plant and equipment (Note 3)		(49,112,041)		(55,719,054)
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Proceeds from sale of plant, property and equipment	38,965	28,652
Dividends received from associates	99,953	83,165
Purchase of telecommunications licenses	(1,018,190)	
Acquisition of business , net of cash acquired	(1,922,472)	(1,668,342)
Proceeds from partial sale of investment in associated company (Note 4)	9,405,274	-
Investments in associated companies (Note 4)	(1,699,990)	(14,496,113)
Net cash flows used in investing activities	(44,208,501)	(71,771,692)
Financing activities		
Loans obtained	31,206,682	44,530,037
Repayment of loans	(15,898,370)	(3,268,983)
Interest paid	(13,630,286)	(10,325,950)
Repurchase of shares	(15,872,091)	(46,172,321)
Dividends paid	(34,620)	(57,902)
Derivative financial instruments	314,517	(261,265)
Acquisitions of non-controlling interests	(32,776)	(168,749)
Net cash flows used in financing activities	(13,946,944)	(15,725,133)
Net increase (decrease) in cash and cash equivalents	44,278,880	(13,062,553)
Adjustment to cash flows due to exchange rate fluctuations	1,684,196	(839,395)
Cash and cash equivalents at beginning of the period	48,163,550	45,487,200
Cash and cash equivalents at end of the period	Ps. 94,126,626	Ps. 31,585,252
Non-cash transactions related to:	2014	2013

Investing activities

Purchases of property, plant and equipment in accounts payable at period end

Ps. 4,521,263 Ps. 6,574,407

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

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AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES

Notes to Unaudited Interim Condensed Consolidated Financial Statements

(In thousands of Mexican pesos and thousands of U.S. dollars, unless otherwise indicated)

1. Description of the business

América Móvil, S.A.B. de C.V. and subsidiaries (hereinafter, the Company, América Móvil or AMX) was incorporated under laws of Mexico on September 25, 2000. The Company provides telecommunications services in 18 countries throughout Latin America, the United States and the Caribbean. These telecommunications services include mobile and fixed voice services, mobile and fixed data services, internet access and paid TV, as well as other related services.

The voice services provided by the Company, both mobile and fixed, mainly include the following: airtime, local, domestic and international long-distance services, and network interconnection services.

The data services provided by the Company include the following: value added services, corporate networks, data and Internet services.

Paid TV represents basic services, as well as pay per view and additional programming and advertising services.

Related services mainly include equipment and computer sales, and revenues from advertising in telephone directories publishing and call center services.

In order to provide these services, América Móvil has the necessary licenses, permits and concessions (collectively referred to herein as licenses) to build, install, operate and exploit public and/or private telecommunications networks and provide miscellaneous telecommunications services (mostly mobile and fixed telephony services), as well as to operate frequency bands in the radio-electric spectrum to be able to provide fixed wireless telephony and to operate frequency bands in the radio-electric spectrum for point-to-point and point-to-multipoint microwave links. The Company holds licenses in the 18 countries where it has a presence, and such licenses have different dates of expiration through 2046.

Certain licenses require the payment to the respective governments of a share in sales determined as a percentage of revenues from services under concession. The percentage is set as either a fixed rate or in some cases based on certain size of the infrastructure in operation.

The corporate offices of América Móvil are located in Mexico City at Lago Zurich # 245, Colonia Ampliación Granada, Miguel Hidalgo, zip code 11529.

The accompanying unaudited interim condensed consolidated financial statements were approved for their issuance by the Company's Chief Financial Officer on August 29, 2014. Subsequent events have been considered through the same date.

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Relevant events

On May 15 2014, the Company launched a public tender offer to acquire all outstanding shares of Telekom Austria (TKA) not held by Österreichische Industrieholding AG (OIAG), Telekom Austria's largest shareholder. The offer expired on July 10, 2014 and the Company obtained 103 million shares, equivalent to 23.47% of the share capital of TKA, at a cost of 743.4 million of euros, which was paid by the Company during July 2014. AMX holds a stake of approximately 27.2% in TKA as of June 30, 2014, and approximately 50.80% in TKA upon completion of the tender offer. See Note 13 for further detail.

On June 27, 2014, the Company's Board of Directors authorized Inmobiliaria Carso, S.A. de C.V. and Control Empresarial de Capitales, S.A. de C.V. (both related parties under common control of AMX), to acquire from AT&T 5,739,341,928 Series AA shares representing 23.81% of AMX's voting stock or 8.27% of the Company's capital stock. The purchase of the treasury shares were acquired as of that date. The Company has recorded this treasury share purchase as a reduction of retained earnings in the accompanying unaudited interim condensed consolidated financial statements.

2. Basis of Preparation of the Unaudited Interim Condensed Consolidated Financial Statements and Changes in Significant Accounting Policies and Practices

a) Basis of preparation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in conformity with the International Accounting Standard No. 34, *Interim Financial Reporting* (IAS 34), and using the same accounting policies applied in preparing the annual financial statements, except as explained below.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's audited annual consolidated financial statements as of December 31, 2012 and 2013, and for the three year period ended December 31, 2013 as included in the Company's Annual Report on Form 20-F for the year ended December 31, 2013 (the 2013 Form 20-F).

The preparation of these unaudited interim condensed consolidated financial statements in accordance with IAS 34 requires the use of critical estimates and assumptions that affect the amounts reported for certain assets and liabilities, as well as certain income and expenses. It also requires that management exercise judgment in the application of the Company's accounting policies.

The Mexican peso is the functional and reporting currency of the Parent Company in Mexico and the ones used in these unaudited interim condensed consolidated financial statements.

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The following amounts in the unaudited interim condensed consolidated statements of comprehensive income and cash flows for the six month period ended June 30, 2013 have been adjusted to conform to the presentation for the six month period ended June 30, 2014:

Unaudited interim condensed consolidated statements of comprehensive income

	2013, As previously reported	Reclassifications	2013, as adjusted
Services revenues	Ps. 348,867,277	(348,867,277)	
Net sales of equipment and accessories	38,892,317	(38,892,317)	
Mobile voice services		133,283,636	Ps. 133,283,636
Fixed voice services		56,907,078	56,907,078
Mobile data voice services		77,649,540	77,649,540
Fixed data services		42,203,492	42,203,492
Paid television		29,874,998	29,874,998
Equipment, accessories, computer sale and other services		47,840,850	47,840,850
	Ps. 387,759,594	Ps. -	Ps. 387,759,594

Unaudited interim Condensed Consolidated Statements of Cash Flows

	2013, As previously reported	Reclassifications and other retrospective adjustments	2013, as adjusted
Operating activities			
Net period cost of labor obligations	Ps. 6,169,348	Ps. (1,952,280)	Ps. 4,217,068
(Gain) loss in valuation of derivative financial instruments, capitalized interest expense and other, net	(6,894,068)	1,772,620	(5,121,448)
Interest income	-	(2,673,376)	(2,673,376)
Accounts receivable from subscribers, distributors and other	(4,706,249)	1,904,614	(2,801,635)
Accounts payable and accrued liabilities	(646,882)	179,660	(467,222)
Interest received		768,762	768,762
	Ps. (6,077,851)	Ps. -	Ps. (6,077,851)

Investing activities

Cash acquired by consolidation	Ps.	259,540	Ps.	(259,540)	-
Acquisition of investments in associates and subsidiaries		(16,423,995)		16,423,995	-
Acquisition of business, net of cash acquired				(1,668,342)	(1,668,342)
Investment in associates Companies				(14,496,113)	(14,496,113)
		(
	Ps.	16,164,455)	Ps.	-	Ps. (16,164,455)

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c) New standards, interpretations and amendments thereof

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2013, except for the standards/interpretations which became effective on January 1, 2014. The nature and the impact of each new standard/amendment are described below.

The Company has not early adopted any other IFRS interpretation or amendment that has been issued but is not yet effective.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 9, Financial Instruments

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after January 1, 2013, but Amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to January 1, 2015. In subsequent phases, the IASB is addressing hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 will have an effect on the Classification and measurement of the Company's financial assets, but will not have an impact on classification and measurements of the Company's financial liabilities. The Company is in the process of analyzing the effect that the other phases of final standard will have in its financial statements.

IAS 32, Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32

These amendments clarify the meaning of "currently has a legally enforceable right to set-off" and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These are effective for annual periods beginning on or after January 1, 2014. The Company has concluded that the impact of this amendment did not have an impact in its unaudited interim condensed consolidated financial statements.

IFRIC Interpretation 21, Levies (IFRIC 21)

IFRIC 21 clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014. The Company has concluded that this interpretation did not have an impact in its unaudited interim condensed consolidated interim financial statements.

IAS 39 Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments are effective for annual periods beginning on or after January 1, 2014. The Company has not novated its derivatives during 2013 or 2014, as such, this amendment had no impact in its condensed consolidated financial statements.

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IFRS 15, *Revenue from Contracts with Customers*

On May, 2014, the IASB issued the IFRS 15 *Revenue from Contracts with Customers*, a new revenue recognition standard that will supersede virtually all revenue recognition guidance existing in IAS 18 *Revenue*. The new standard provides accounting guidance for all revenue arising from contracts with customers and affects all entities that enter into contracts to provide goods or services to their customers. The guidance also provides a model for the measurement and recognition of gains and losses on the sale of certain nonfinancial assets, such as property and equipment, including real estate. This standard is effective for periods beginning on January 1, 2017 with retrospective application. Two methods are available for entities to choose from (i) a full retrospective approach or (ii) a modified retrospective approach. Public companies that choose to adopt on a full retrospective basis will need to apply the standard to amounts they report for 2015 and 2016 on the face of their 2017 financial statements. Under the modified retrospective approach, in the year of adoption, entities will be required to disclose the amount that each financial statement line item was affected by as a result of applying the new standard and an explanation of significant changes. Under the modified retrospective approach, entities are not required to restate prior periods.

The Company is in the process of evaluating the impact that this new standard will have in its consolidated financial statements and its disclosures as well as the method that it will use for retrospective application.

IAS 36 Recoverable Amount Disclosures for Non-Financial Assets *Amendments to IAS 36*

These amendments require disclosure of the recoverable amounts of the assets or cash generating units (CGUs) for which an impairment loss has been recognized or reversed during the period. The amendments are effective retrospectively for annual periods beginning on or after January 1, 2014. The Company has not recognized or reversed any impairment loss on non-financial assets during the periods presented in these unaudited interim condensed consolidated financial statements, accordingly, there are no disclosures needed.

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Annual Improvements to IFRSs – 2010-2012 Cycle and 2011-2013 Cycle

On December 12, 2013, the IASB issued two cycles of Annual Improvements to IFRSs – Cycles 2010-2012 and 2011-2013 - that contain 11 changes to nine standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 2 Share-based Payment; IFRS 3 Business Combinations; IFRS 8 Operating Segments; IFRS 13 Fair Value Measurement; IAS 16 Property, Plant and Equipment; IAS 24 Related Party Disclosures; IAS 38 Intangible Assets; and IAS 40 Investment Property. One of the amendments to IFRS 13 and the amendment to IFRS 1 only affect the Basis for Conclusions for the respective standards and, therefore, are effective immediately. The other amendments are effective from July 1, 2014 either prospectively or retrospectively.

The Company has concluded that these improvements did not have any impact in its condensed consolidated financial statements.

3. Property, plant and equipment

During the six-month periods ended June 30, 2014 and 2013, the Company made cash payments as an investment in plant and equipment in order to increase and update its transmission network and other mobile and fixed assets for an amount of Ps.49,112,041 and Ps.55,719,054, respectively.

4. Investments in Associates

a) The balance of the Company's investments in associates primarily represents the Company's European investments (Koninklijke KPN N.V. KPN and Telekom Austria AG Telekom Austria). During the six months ended June 30, 2014, the carrying value of the Company's investments in associates decreased by Ps. 13.5 billion. This net decrease was a result of:

a decrease attributable to the partial sale of shares of KPN during the period. The Company received Ps. 9.4 billion, and then derecognized a total of Ps. 14.2 billion during the six months ended June 30, 2014, resulting in a loss on the sale of the shares of Ps. 4.5 billion which was recorded in Valuation of derivatives, interest cost from labor obligation other financial items, net in the accompanying unaudited condensed statement of comprehensive income for the six months ended June 30, 2014

an increase attributable to the purchase of approximately 0.4% of the outstanding shares of Telekom Austria for an amount of Ps.1.7 billion.

The equity method in earnings on investments in associates, and changes in the carrying value of the Company's investments in associates attributable to the translation of foreign currencies for the six month period was a loss of Ps. 1.0 billion.

b) As of June 30, 2014, the Company owns 964,989,841 shares of KPN, which represents 22.6% of the outstanding shares. The carrying value of the investment in KPN is Ps. 54.6 billion. KPN's shares are traded on the Amsterdam Stock Exchange, and the closing price for such shares was 2.7 per share at June 30, 2014, equating to a Level 1 fair value of the Company's investment in KPN of Ps. 45.8 billion at June 30, 2014 exchange rates; accordingly, the carrying value of the investment is Ps. 8.8 billion in excess of its Level 1 fair value.

c) As of June, 30, 2014, the Company owns 120,560,423 shares of Telekom Austria, which represent 27.2% of the outstanding shares. The carrying value of the investment is Ps.18.5 billion. Telekom Austria's shares are traded on the Vienna Stock Exchange, and the closing price for such shares was 7.1 per share at June 30, 2014, equating to a Level 1 fair value of the Company's investment in Telekom Austria of Ps.15.4 billion at June 30, 2014 exchange rates; accordingly, the carrying value of the investment is Ps. 3.2 billion in excess of its Level 1 fair value.

The Company continues to believe that it will recover the carrying value of its KPN shares through its future value-in-use. See Note 13 for discussion of its Investment in Telekom Austria.

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The Company's short- and long-term debt consists of the following:

At June 30, 2014				
Maturity				
Currency	Loan	Interest rate	from July 2014 to	Total
<i>U.S. dollars</i>				
	ECA credits (fixed rate) (ii)	2.52%	2017	Ps. 831,411
	ECA credits (floating rate) (ii)	L+0.35% and L+0.75%	2018	2,991,162
	Fixed-rate Senior notes (i)	2.375% - 7.50%	2042	186,399,019
	Floating rates Senior notes (i)	L+1.0%	2016	9,774,225
	Financial Leases	3.75%	2015	156,269
	Lines of credit (iv)	4.00% - 7.70%	2023	3,450,844
	Subtotal U.S. dollars			203,602,930
<i>Mexican pesos</i>				
	Fixed-rate Senior notes (i)	6.00% - 9.00%	2037	78,096,728
	Floating rate Senior notes (i)	TIIIE+ 0.40%-1.50%	2016	15,600,000
	Lines of credit (iv)	TIIIE+ 0.05%-1.00%	2015	311,049
	Subtotal Mexican pesos			94,007,777
<i>Euros</i>				
	Fixed-rate Senior notes (i)	3.0% - 6.375%	2073	116,877,055
	Subtotal Euros			116,877,055
<i>Sterling Pounds</i>				
	Fixed-rate Senior notes (i)	4.375% - 6.375%	2073	61,305,894
	Subtotal Sterling pounds			61,305,894
<i>Swiss francs</i>				
	Fixed-rate Senior notes (i)	1.125% - 2.25%	2018	15,430,666

Subtotal Swiss francs				15,430,666
<i>Reais</i>				
Lines of credit (iv)	3.0% y 6.00%	2019		3,531,084
Subtotal Brazilian reais				3,531,084
<i>Colombian pesos</i>				
Fixed-rate Senior notes (i)	7.59%	2016		3,117,460
Subtotal Colombian pesos				3,117,460
<i>Other currencies</i>				
Fixed-rate Senior notes (i)	1.23% - 3.96%	2039		8,148,446
Financial Leases	5.05% - 8.97%	2027		399,774
Lines of credit (iv)	19.00%	2014		28,496
Subtotal other currencies				8,576,716
Total debt				506,449,582
Less: Short-term debt and current portion of long-term debt				51,465,649
Long-term debt			Ps.	454,983,933

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At December 30, 2013				
Currency	Loan	Interest rate	Maturity from January 2014 to	Total
<i>U.S. dollars</i>				
	ECA credits (fixed rate) (ii)	2.52%	2017	Ps. 973,269
	ECA credits (floating rate) (ii)	L + 0.35%, L+0.50% y L + 0.75%	2018	3,602,208
	Fixed-rate Senior notes (i)	2.375% -		