

AMERICA MOVIL SAB DE CV/

Form 6-K

September 27, 2012

Table of Contents

**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 2012**

**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**

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(Translation of Registrant's Name into English)

**Lago Zurich 245**

**Plaza Carso / Edificio Telcel**

**Colonia Granada Ampliación**

**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.

(Check One) 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):

**Table of Contents**

**This Report on Form 6-K shall be deemed incorporated by reference into the Registrant's Registration Statement on Form F-3ASR (File No. 333-182394).**

**Table of Contents**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 2012**

**TABLE OF CONTENTS**

	<b>Page</b>
<u>Cautionary Statement Concerning Forward-Looking Statements</u>	4
<u>Ratio of Earnings to Fixed Charges</u>	5
<u>Unaudited Consolidated Statements of Financial Position</u>	6
<u>Unaudited Consolidated Statements of Comprehensive Income</u>	7
<u>Unaudited Consolidated Statements of Changes in Equity</u>	8
<u>Unaudited Consolidated Statements of Cash Flows</u>	10
<u>Notes to Condensed Consolidated Financial Statements</u>	11

The information in this report supplements information contained in our annual report on Form 20-F for the year ended December 31, 2011, filed with the Securities and Exchange Commission on April 30, 2012 (File No. 001-16269) (our 2011 Form 20-F ).

**Table of Contents**

**CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS**

This report contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports to the U.S. Securities and Exchange Commission, or SEC, on Forms 20-F and 6-K, in our annual report to shareholders, in offering circulars and prospectuses, in press releases and other written materials, and in oral statements made by our officers, directors or employees to analysts, institutional investors, representatives of the media and others. Examples of such forward-looking statements include:

projections of operating revenues, net income (loss), net income (loss) per share, capital expenditures, dividends, capital structure or other financial items or ratios;

statements of our plans, objectives or goals, including those relating to acquisitions, competition, regulation and rates;

statements about our future economic performance or that of Mexico or other countries in which we operate;

competitive developments in the telecommunications sector in each of the markets where we currently operate;

other factors or trends affecting the telecommunications industry generally and our financial condition in particular; and

statements of assumptions underlying the foregoing statements.

We use words such as believe, anticipate, plan, expect, intend, target, estimate, project, predict, forecast, guideline, should, or similar expressions to identify forward-looking statements, but they are not the only way we identify such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under Risk Factors in our 2011 Form 20-F, include economic and political conditions and government policies in Mexico, Brazil or elsewhere, inflation rates, exchange rates, regulatory developments, technological improvements, customer demand and competition. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements.

Forward-looking statements speak only as of the date they are made. We do not undertake any obligation to update such statements in light of new information or future developments.

You should evaluate any statements made by us in light of these important factors.

**Table of Contents**

**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth our consolidated ratios of earnings<sup>(1)</sup> to fixed charges for the two years ended December 31, 2010 and December 31, 2011 and for the six months ended June 30, 2012, in accordance with IFRS.

<b>Year ended</b>	<b>Year ended</b>	<b>Six months</b>
<b>December 31,</b>	<b>December 31,</b>	<b>ended June</b>
<b>2010</b>	<b>2011</b>	<b>30,</b>
<b>7.6</b>	<b>6.4</b>	<b>2012</b>
		<b>6.1</b>

- (1) Earnings, for this purpose, consist of profit before income tax, plus interest expense and interest implicit in operating leases, minus equity interest in net income of affiliates, during the period.

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

(In thousands of Mexican pesos)

	At June 30, 2012 Unaudited	At December 31, 2011 Audited
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	Ps. 62,360,981	Ps. 59,123,996
Accounts receivable, net	112,789,977	124,973,353
Derivative financial instruments	489,311	7,777,953
Related parties	447,093	3,413,899
Inventories, net	30,174,551	34,141,317
Other current assets, net	16,381,020	10,846,749
<b>Total current assets</b>	<b>222,642,933</b>	<b>240,277,267</b>
Non-current assets:		
Property, plant and equipment, net (Note 4)	484,606,387	466,086,773
Licenses and rights of use, net	40,995,970	38,530,899
Trademarks, net	2,052,350	3,006,854
Goodwill	106,114,588	73,038,433
Investment in associated companies and others	59,657,696	54,218,023
Deferred taxes	33,561,741	33,074,458
Net pension asset	24,716,990	22,327,733
Other non-current assets, net	17,296,742	15,056,421
<b>Total non-current assets</b>	<b>769,002,464</b>	<b>705,339,594</b>
<b>Total assets</b>	<b>Ps. 991,645,397</b>	<b>Ps. 945,616,861</b>
<b>Liabilities and equity</b>		
Current liabilities:		
Short-term debt and current portion of long-term debt (Note 5)	Ps. 23,158,093	Ps. 26,643,315
Accounts payable and accrued liabilities (Note 6)	195,951,818	178,740,455
Taxes payable	16,253,399	28,622,319
Derivative financial instruments	2,881,404	873,398
Related parties	931,888	1,630,265
Deferred revenues	24,462,121	26,248,679
<b>Total current liabilities</b>	<b>263,638,723</b>	<b>262,758,431</b>
Long-term debt (Note 5)	400,944,127	353,975,487
Deferred taxes	22,237,351	16,751,716
Deferred revenues	1,055,589	3,175,796
Employee benefits	12,958,853	13,315,736
<b>Total non-current liabilities</b>	<b>437,195,920</b>	<b>387,218,735</b>
<b>Total liabilities</b>	<b>700,834,643</b>	<b>649,977,166</b>

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Equity (Note 9)		
Capital stock	<b>96,416,312</b>	96,419,636
Retained earnings:		
Prior years	<b>130,752,723</b>	81,198,952
Profit for the period	<b>45,891,291</b>	82,853,529
Total retained earnings	<b>176,644,014</b>	164,052,481
Other comprehensive income items	<b>7,061,881</b>	25,168,067
Equity attributable to equity holders of the parent	<b>280,122,207</b>	285,640,184
Non-controlling interests	<b>10,688,547</b>	9,999,511
Total equity	<b>290,810,754</b>	295,639,695
Total liabilities and equity	<b>Ps. 991,645,397</b>	Ps. 945,616,861

The accompanying notes are an integral part of these unaudited 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)

	<b>For the six months ended June 30,</b>	
	<b>2012</b>	<b>2011</b>
<b>Operating revenues:</b>		
Services revenues	<b>Ps. 352,596,830</b>	Ps. 288,065,918
Net sales of equipment and accessories	<b>31,639,948</b>	27,868,757
<b>Total net revenues</b>	<b>384,236,778</b>	315,934,675
<b>Operating costs and expenses:</b>		
Cost of sales and services	<b>167,987,872</b>	133,064,342
Commercial, administrative and general expenses	<b>81,690,528</b>	58,972,723
Other expenses	<b>1,569,601</b>	1,886,241
Depreciation and amortization	<b>51,853,940</b>	45,098,332
<b>Total operating costs and expenses</b>	<b>303,101,941</b>	239,021,638
<b>Operating income</b>	<b>81,134,837</b>	76,913,037
Interest income	<b>3,147,578</b>	3,066,258
Interest expense	<b>(12,368,102)</b>	(9,571,394)
Exchange gain, net	<b>3,193,618</b>	6,491,251
Valuation of derivatives and other financial items, net	<b>(5,368,465)</b>	(4,302,375)
Equity interest in net income of associated companies	<b>(64,071)</b>	1,298,514
<b>Profit before income tax</b>	<b>69,675,395</b>	73,895,291
Income tax (Note 10)	<b>23,486,573</b>	23,143,913
<b>Net profit for the period</b>	<b>Ps. 46,188,822</b>	Ps. 50,751,378
<b>Net profit for the period attributable to:</b>		
Equity holders of the parent	<b>Ps. 45,891,291</b>	Ps. 47,661,868
Non-controlling interests	<b>297,531</b>	3,089,510
	<b>Ps. 46,188,822</b>	Ps. 50,751,378
<b>Other comprehensive loss items</b>		
Effect of translation of foreign entities	<b>Ps. (18,711,715)</b>	Ps. (4,915,662)
Effect of fair value of derivatives, net of deferred taxes	<b>113,747</b>	(467,084)
<b>Total other comprehensive income for the period</b>	<b>(18,597,968)</b>	(5,382,746)
<b>Total comprehensive income for the period</b>	<b>Ps. 27,590,854</b>	Ps. 45,368,632
<b>Comprehensive income for the period attributable to:</b>		
Equity holders of the parent	<b>Ps. 27,936,516</b>	Ps. 43,280,193
Non-controlling interests	<b>(345,662)</b>	2,088,439

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	<b>Ps. 27,590,854</b>	Ps. 45,368,632
Basic and diluted earnings per share attributable to equity holders of the parent	<b>Ps. 0.60</b>	Ps. 0.60

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

**Table of Contents****AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES****Unaudited Consolidated Statements of Changes in Equity****For the six-months period ended June 30, 2012**

(In thousands of Mexican pesos)

	Capital stock	Legal reserve	Retained earnings	Total retained earnings	Effect of derivative financial instruments acquired for hedging purposes	Effect of translation	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Balance at January 1, 2012	Ps. 96,419,636	Ps. 358,440	Ps. 163,694,041	Ps. 164,052,481	Ps. (242,583)	Ps. 25,410,650	Ps. 285,640,184	Ps. 9,999,511	Ps. 295,639,695
Net profit for the period			45,891,291	45,891,291			45,891,291	297,531	46,188,822
Effect of translation of foreign entities						(18,055,136)	(18,055,136)	(656,579)	(18,711,715)
Effect of fair value of derivatives, net of deferred taxes					100,361		100,361	13,386	113,747
Comprehensive income for the period			45,891,291	45,891,291	100,361	(18,055,136)	27,936,516	(345,662)	27,590,854
Dividends			(15,289,943)	(15,289,943)			(15,289,943)	(80,058)	(15,370,001)
Repurchase of shares	(3,324)		(12,671,894)	(12,671,894)			(12,675,218)		(12,675,218)
Consolidation effect of Net Acquisition of non-controlling interests			(5,337,921)	(5,337,921)		(151,411)	(151,411)	3,041,699	2,890,288
Balance at June 30, 2012	Ps. 96,416,312	Ps. 358,440	Ps. 176,285,574	Ps. 176,644,014	Ps. (142,222)	Ps. 7,204,103	Ps. 280,122,207	Ps. 10,688,547	Ps. 290,810,754

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

**Table of Contents****AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES****Unaudited Consolidated Statements of Changes in Equity****For the six-months ended June 30, 2011**

(In thousands of Mexican pesos)

	Capital stock	Legal reserve	Retained earnings	Total retained earnings	Effect of derivative financial instruments acquired for hedging purposes	Effect of translation	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Balance at January 1, 2011	Ps. 96,433,461	Ps. 358,440	Ps. 195,774,252	Ps. 196,132,692	Ps. 34,165	Ps. 15,051,665	Ps. 307,651,983	Ps. 28,385,187	Ps. 336,037,170
Net profit for the period			47,661,868	47,661,868			47,661,868	3,089,510	50,751,378
Effect of translation of foreign entities						(4,102,178)	(4,102,178)	(813,484)	(4,915,662)
Effect of fair value of derivatives, net of deferred taxes					(279,497)		(279,497)	(187,587)	(467,084)
Comprehensive income for the period			47,661,868	47,661,868	(279,497)	(4,102,178)	43,280,193	2,088,439	45,368,632
Dividends			(14,309,640)	(14,309,640)			(14,309,640)	(1,900,948)	(16,210,588)
Repurchase of shares	(7,888)		(29,271,234)	(29,271,234)			(29,279,122)		(29,279,122)
Repurchase by subsidiary of its own shares								(527,071)	(527,071)
Acquisition of non-controlling interests			(359,799)	(359,799)			(359,799)	(304,158)	(663,957)
Balance at June 30, 2011	Ps. 96,425,573	Ps. 358,440	Ps. 199,495,447	Ps. 199,853,887	Ps. (245,332)	Ps. 10,949,487	Ps. 306,983,615	Ps. 27,741,449	Ps. 334,725,064

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

**Table of Contents****AMÉRICA MÓVIL, S.A.B. DE C.V. AND SUBSIDIARIES****Unaudited Consolidated Statements of Cash Flows**

(In thousands of Mexican pesos)

	For the six months period ended June 30,	
	2012	2011
<b>Operating Activities:</b>		
Profit before income tax	Ps. 69,675,395	Ps. 73,895,291
Items not requiring the use of cash:		
Depreciation	45,941,325	39,593,705
Amortization of intangible assets	5,912,615	5,504,627
Equity interest in net income of associated companies	64,071	(1,298,514)
Loss(Gain) on sale of fixed assets	(5,597)	(20,868)
Net period cost of labor obligations	4,377,825	4,218,782
Exchange gain, net	(6,968,762)	(5,207,249)
Interest expense	12,368,102	9,571,394
Employee profit sharing	1,589,359	2,065,858
Other financial costs, net	2,316,337	2,684,851
Working capital adjustments:		
Accounts receivable	(1,862,531)	39,401
Prepaid expenses	(5,334,210)	(4,375,043)
Related parties	181,544	(472,090)
Inventories	3,627,993	(2,005,367)
Other assets	(2,954,166)	(5,356,668)
Accounts payable and accrued liabilities	13,690,227	(8,952,864)
Financial instruments	(468,074)	886,980
Deferred revenues	218,396	5,390
Labor obligations	(3,501,906)	(4,241,667)
Employee profit sharing paid	(3,354,552)	(1,493,308)
Income tax paid	(20,694,182)	(30,664,672)
<b>Net cash flow provided by operating activities</b>	<b>114,819,209</b>	<b>74,377,969</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(63,620,202)	(43,362,161)
Acquisition of licenses	(253,927)	(869,903)
Proceeds from sale of fixed assets	14,241	30,208
Cash balances of NET acquired on consolidation	4,593,271	
Acquisition of investments	(59,684,554)	(88,632)
<b>Net cash flow used in investing activities</b>	<b>(118,951,171)</b>	<b>(44,290,488)</b>
<b>Financing activities:</b>		
Loans obtained	57,106,897	23,525,139
Repayment of loans	(25,160,386)	(17,611,268)
Interest paid	(10,914,787)	(10,263,367)
Repurchase of shares	(12,657,073)	(29,556,228)
Dividend paid	(93,725)	(2,174,581)
Derivative financial instruments	5,245,912	15,323
Acquisition of non-controlling interest	(7,264,864)	(1,932,282)
<b>Net cash flow used in financing activities</b>	<b>6,261,974</b>	<b>(37,997,264)</b>

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Net decrease in cash and cash equivalents	<b>2,130,012</b>	(7,909,783)
Adjustment to cash flows due to exchange rate fluctuations	<b>1,106,973</b>	(568,901)
Cash and cash equivalents at beginning of period	<b>59,123,996</b>	95,938,465
Cash and cash equivalents at end of period	<b>Ps. 62,360,981</b>	Ps. 87,459,781

Non-cash transactions related to:

For the six-month periods ended June 30,  
2012 2011

**Investing activities**

Property, plant and equipment **Ps. 35,934,365** Ps. 29,749,3171

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

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**Table of Contents**

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

**Notes to 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 or América Móvil ) was incorporated under laws of Mexico on September 25, 2000. The Company provides telecommunications services in 18 countries throughout the United States, Latin America 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, 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. 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 will expire between 2012 through 2046. In the next two fiscal years there are no contingent liabilities for license expiration and/or extinction.

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 accompanying unaudited interim condensed consolidated financial statements were approved for their issuance by the Board of Directors on July 2, 2012.

América Móvil is located in Mexico City at Lago Zurich # 245, Colonia Ampliación Granada, Miguel Hidalgo, zip code 11529.

**2. Basis of Preparation of the Consolidated Financial Statements and Summary of Significant Accounting Policies and Practices**

**a) Basis of preparation**

Except as explained in the following paragraph, the accompanying unaudited interim condensed consolidated financial statements for all the periods presented, have been prepared in conformity with the International Accounting Standard 34, *Interim Financial Reporting* (IAS 34), as issued by the IASB, applicable to interim financial statements,

Beginning January 1, 2012, the Company began prospectively recording commission amounts paid to distributors as a commercial, administrative and general expense, rather than as reduction of revenue. The Company is not retrospectively applying this change in commissions classification as is required by the International Accounting Standard No. 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

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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, 2011.



## **Table of Contents**

The preparation of these financial statements under IFRS 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 currency of presentation of these financial statements.

### **b) New standards, interpretations and amendments thereof**

The accounting policies adopted in the preparation of the unaudited 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, 2011, except for the adoption of certain new IFRS as described below.

#### **IAS 1, Financial Statement Presentation. Presentation of Items of Other Comprehensive Income**

The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Company's financial position or performance. The amendment becomes effective for annual periods beginning on or after July 1, 2012.

The Company is currently evaluating the impact of the adoption of this new standard.

#### **IAS 12, Income Taxes Recovery of Underlying Assets**

The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16, *Property, Plant and Equipment*, always be measured on a sale basis of the asset. The amendment became effective for annual periods beginning on or after January 1, 2012. The adoption of this IFRS had no effect on the Company's financial statements.

#### **IAS 19, Employee Benefits (Amendment)**

On June 16, 2011, the IASB published modifications to IAS 19, *Employee Benefits*, which changes the accounting for defined benefit plans and termination benefits. The modifications require the recognition of the changes in the defined benefit obligation and plan assets when they occur, eliminating the corridor approach and accelerating the recognition of past service costs. The changes also eliminate the deferral of actuarial gains/losses, and require that they be recorded directly within other comprehensive income in each reporting period. Changes in the defined benefit obligation and plan assets are divided in three components: service cost, net interest of net (assets) liabilities of defined benefits and remeasurement of the net (assets) liabilities for defined benefits. The net interest is calculated using a rate of return for high quality corporate bonds, which may be less than the current rate used to calculate the expected return on the plan assets, resulting in a decrease to the profit for the current period.

The modifications are effective beginning January 1, 2013, with early adoption allowed. Also retrospective application is required with certain exceptions.

The Company has defined benefit pension plans for its operations in Puerto Rico, Embratel (Brazil) and Telmex (Mexico), all of which have unrecognized actuarial losses. The Company is still evaluating the impact that the revisions to IAS 19 may have on the consolidated financial statements.

## **Table of Contents**

### **IFRS 7, Financial Instruments: Disclosures. Enhanced Derecognition Disclosure Requirements**

The amendment requires additional disclosure about financial assets that have been transferred but not derecognized to enable the user of the Company's financial statements to understand the relationship with those assets that have not been derecognized and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognized assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognized assets. The amendment becomes effective for annual periods beginning on or after July 1, 2011. The amendment affects disclosure only and has no impact on AMX's financial position or performance.

The Company is currently evaluating the impact of the adoption of this new standard.

### **IFRS 9, Financial Instruments: Classification and Measurement**

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 is effective for annual periods beginning on or after January 1, 2013. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected over the course of 2011 or the first half of 2012. 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 potentially have no impact on classification and measurements of financial liabilities. The Company will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

The Company is currently evaluating the impact of the adoption of this new standard.

### **IFRS 10, Consolidated Financial Statements**

IFRS 10 replaces the portion of IAS 27, *Consolidated and Separate Financial Statements*, that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12, *Consolidation - Special Purpose Entities*.

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. This standard becomes effective for annual periods beginning on or after January 1, 2013.

The Company is currently evaluating the impact of the adoption of this new standard.

### **IFRS 12, Disclosure of Involvement with Other Entities**

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.

The Company is currently evaluating the impact of the adoption of this new standard.

## **Table of Contents**

### **c) Consolidation and basis of translation of financial statements of foreign subsidiaries**

#### **i) Consolidation**

The unaudited interim condensed consolidated financial statements include the accounts of América Móvil, S.A.B. de C.V. and those of the subsidiaries over which the Company exercises control. The financial statements for the subsidiaries were prepared for the same period as the holding company, applying consistent accounting policies. All of the companies operate in the telecommunications field or provide services to companies relating to this activity.

All intercompany balances and transactions have been eliminated in the unaudited interim condensed consolidated financial statements. Non-controlling interests refer to certain subsidiaries in which the Company does not hold 100% of the shares.

The results of operations of the subsidiaries and associates were included in the Company's unaudited interim condensed consolidated financial statements beginning as of the month following their acquisition.

Non-controlling interests represent the portion of profits or losses and net assets not held by the Company. Non-controlling interests are presented separately in the consolidated Statement of Comprehensive Income and in equity in the Consolidated Statement of Financial Position separately from América Móvil's own equity.

Acquisitions of non-controlling interest are recognized as equity transactions (transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid are recognized directly in equity and attributed to the owners of the parent.

#### **ii) Basis of translation of financial statements of foreign subsidiaries and associated companies**

The financial statements of foreign subsidiaries and associated companies are either consolidated or recognized using the equity method, respectively, after the financial statements have been converted to IFRS in the respective local currency and translated into the reporting currency, in accordance with the following:

The reported financial statements of América Móvil's foreign operations were converted to International Financial Reporting Standards in the local currency and then translated into the reporting currency. Since none of our subsidiaries and associates operate in a hyperinflationary economic environment and their local currency is their functional currency, the translation of their financial statements prepared under IFRS and denominated in their respective local currencies, was translated as follows:

all monetary assets and liabilities were translated at the prevailing exchange rate at the period closing;

all non-monetary assets and liabilities at the exchange rate in effect at the period closing;

equity accounts are translated at the prevailing exchange rate at the time the capital contributions were made and the profits were generated;

revenues, costs and expenses are translated at the average exchange rate during the applicable period;

the difference resulting from the translation process is recognized in equity in the caption "Effect of translation of foreign entities".

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the statements of cash flows were translated using the weighted average exchange rate for the applicable period. The difference resulting from the translation process is recognized in equity in the caption Effect of translation of foreign entities . At June 30, 2012 and 2011, the cumulative translation gain was Ps. 7,204,103 and Ps. 10,949,487, respectively.

## **Table of Contents**

### **d) Revenue recognition**

Revenues are recognized at the time the related service is rendered, provided that the revenue may be reliably measured, it is probable that the entity will receive the economic benefits associated with the transaction, the degree of completion of the transaction may be reliably measured and there is high certainty of collectability.

Beginning January 1, 2012, the Company presents commissions paid to distributors as a component of commercial, administrative and general expenses. Previously, such commissions were netted against revenues.

### **Voice services**

Monthly rent in post-paid plans is billed based on the associated plan and package rates, corresponding to when the services are provided. Revenues billed for services to be rendered are recognized as deferred revenues.

Revenues from local services are derived from charges for line installations, monthly rent for services and monthly charges for metered services based on the number of minutes. These revenues depend on the number of lines in service, the number of newly installed lines and volume of minutes.

Revenues for interconnection services, which represent calls from other carriers entering the Company's mobile and fixed line networks (incoming interconnection services), are recognized at the time the service is provided. Such services are invoiced based on the rates previously agreed with other carriers.

Long-distance revenues originate from airtime or minutes used in making calls in a region or coverage areas outside of the area where the customer's service is activated. These revenues are recognized at the time the service is provided.

Revenues from roaming charges are related to airtime charged to customers for making or receiving calls when visiting a local service area, country or region outside the local service area where the customer's service is activated. The related revenues are recognized at the time the service is provided based on the rates established and agreed upon by our subsidiaries with other domestic and international mobile carriers.

### **Data**

Value added services and other services include voice services and data transmission services (such as two-way and written messages, call information, ring tones, emergency services, among others). Revenues from such services are recognized at the time they are provided or when the services are downloaded.

Internet services and the sale of point-to-point and point-to-multipoint links are recognized on the date of installation, which is similar to the date when the respective traffic begins.

Revenues from corporate networks are obtained mainly from private lines and from providing virtual private network services. These revenues are recognized at the time the respective traffic begins.

### **Pay television**

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Revenues from pay TV include payments for package deals, pay-per-view and advertising, all of which are recognized at the time the services are provided. Revenue is recognized for programming services that include a TV channel package, as well as for pay-per-view.

### **Other related services**

Advertising revenues earned through the publication of the telephone directory are recognized over the life of the directory.

Sales of mobile phone equipment and computers, which are mostly made to authorized distributors and the general public, are recognized as revenue at the time the products are delivered and accepted by the customer, the distributors and general public do not have the right to return the products, and the recovery of the amounts is probable.

## **Table of Contents**

### **Points programs**

The points programs are recognized as a reduction to revenues, since they effectively represent a decrease in the price of mobile services and equipment.

### **e) Cost of mobile equipment and computers**

The cost of mobile equipment and computers is recognized at the time the related revenue is recognized. The costs relating to the sale of such equipment is recognized as cost of sales.

### **f) Cost of services**

These costs include the cost of call terminations in the networks of other carriers, the costs to link the fixed and mobile networks, payments for long-distance services, rental costs for the use of infrastructure (links, ports and measured service), as well as message exchanges between carriers. Such costs are recognized at the time the service is received by the fixed or mobile carriers. These costs also include last-mile costs and line installation costs, which are also recognized at the time the services are received.

### **g) Cash and cash equivalents**

Cash and cash equivalents consist of bank deposits and highly liquid investments with maturities of less than 90 days. These investments are stated at cost plus accrued interest, which is similar to their market value.

### **h) Allowance for bad debts**

The Company periodically recognizes a provision for doubtful accounts based mainly on its past experience, the aging of its accounts receivable, the delays in resolving its disputes with other carriers, and the market segments of its customers (governments, businesses and mass market).

Collection policies and procedures vary depending on the credit history of the customer, the credit granted, and the age of the unpaid calls in other cases.

The evaluation of collection risk of accounts receivables with related parties is performed annually based on an examination of each related party's financial situation and the markets in which they operate.

### **i) Inventories**

Inventories are initially recognized at historical cost and are valued using the average cost method, without exceeding their net realizable value.

The estimate of the realizable value of inventories on-hand is based on their age and turnover.

### **j) Business combinations and goodwill**

Business combinations are accounted for using the acquisition method.

Goodwill represents the difference between the purchase price and the fair value of the net assets acquired at the acquisition date.

Goodwill is reviewed annually to determine its recoverability or more often if circumstances indicate that the net book value of the goodwill might be not fully recoverable.

The possible loss of value in goodwill is determined by analyzing the recovery value of the cash generating unit (or the group thereof) to which the goodwill is associated at the time it originated. If this recovery value is lower than the net book value, an impairment loss is charged to results of operations.

For the six month periods ended June 30, 2012 and 2011, the Company has not recorded any impairment on its goodwill and or other intangible assets.

**k) Property, plant and equipment**

Property, plant and equipment are recorded at acquisition cost, net of accumulated depreciation. Depreciation is computed on the deemed cost of the assets using the straight line method, based on the estimated useful lives of the related assets, beginning the month after they become available for use.



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**Table of Contents**

The Company periodically assesses the residual values, useful lives and depreciation methods associated with its property, plant and equipment. If necessary, the effects of any changes in accounting estimates is recognized prospectively, at the closing of each period, in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors .

Borrowing costs that are incurred for general financing for construction in progress for periods exceeding 6 months are capitalized as part of the cost of the asset.

Inventories for the operation of telephone plant are valued using the average cost method, without exceeding their net realizable value.

The valuation of inventories for the operation of the telephony plant considered obsolete, defective or slow-moving, are reduced to their estimated net realizable value. The estimate of the recovery value of inventories is based on their age and turnover.

In addition to the purchase price and costs directly attributable to preparing an asset in terms of its physical location and condition for use as intended by management, the cost also includes the estimated costs for the dismantlement and removal of the asset, and for restoration of the site where it is located. For property, plant and equipment made up of several components with different useful lives, the major individual components are depreciated over their individual useful lives. Maintenance costs and repairs are expensed as incurred.

The net book value of property, plant and equipment items is removed from the balance sheet at the time the asset is sold or when no future economic benefits are expected from its use or sale. Any gains or losses on the sale of property, plant and equipment represent the difference between net proceeds of the sale, if any, and the net book value of the item at the time of sale. These gains or losses are recognized as either other operating income or operating expenses upon sale.

The carrying value of property, plant and equipment is reviewed whenever there are indicators of impairment in such assets. Whenever an asset's recovery value, which is the greater of the asset's selling price and its value in use (the present value of future cash flows), is less than the asset's net carrying value, the difference is recognized as an impairment loss.

For the six-month periods ended June 30, 2012 and 2011, no impairment losses were recognized on property, plant and equipment.

**l) Impairment in the value of long-lived assets**

The Company has a policy in place for evaluating the existence of indicators of impairment in the carrying value of long-lived fixed assets, including goodwill and intangibles. When there are such indicators, or in the case of assets whose nature requires an annual impairment analysis, the recovery value of the asset is estimated, which is the greater of its fair value, less any disposal costs, and its value in use. Value in use is determined by discounting estimated future cash flows, applying a discount rate before taxes that reflects the time value of money and taking into consideration the specific risks associated with the asset. When the recovery value of an asset is below its net book value, an impairment is considered to exist. In this case, the book value of the asset is reduced to the asset's recovery value, recognizing the loss in results of operations for the respective period. Depreciation and/or amortization expense of future periods is adjusted based on the new book value determined for the asset over the asset's remaining useful life. Impairment is computed individually for each asset. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

In the estimation of impairments, the Company uses the strategic plans established for the separate cash generating units to which the assets are assigned. Such strategic plans generally cover a period from three to five years. For longer periods, beginning in the fifth year, projections are used that are based on such strategic plans while applying a constant or decreasing expected growth rate.

The estimations were performed according to the requirements and methodology required by the IAS 36 for each of the Company's subsidiaries understanding each subsidiary as a cash generating unit (CGU).

The forecasts were performed by the Company's management in real terms (without inflation) and in pesos with acquisition value. The forecasts are made according to budgets which are approved by the Company's Chief Executive Officer (CEO) and are the same presented to the Board of Directors.

## **Table of Contents**

In the procedure of elaborating the information regarding the financial forecast, premises and assumptions have been included which any other market participant in similar conditions would consider.

### **m) Licenses and trademarks**

Licenses are recorded at acquisition cost, net of accumulated amortization.

Licenses to operate wireless telecommunications networks are accounted for at cost or at fair value at acquisition date. Licenses are amortized using the straight-line method over a period ranging from 5 to 40 years, which represents the usage period of the assets.

Trademarks are recorded at their value in use at the valuation date when acquired, as determined by independent appraisers, and are amortized using the straight-line method over a period ranging from 1 to 10 years.

The value of the Company's intangible assets with defined useful lives is reviewed annually and whenever there are indicators of impairment in the value of such assets. Whenever an asset's recovery value, which is the greater of the asset's selling price and its value in use (the present value of future cash flows), is less than the asset's net carrying amount, the difference is recognized as an impairment loss.

For the six-month periods ended June 30, 2012 and 2011, no impairment losses were recognized on licenses and trademarks.

### **3. Business Combinations**

#### **a) Net Serviços de Comunicação, S.A. (Net)**

Net Serviços de Comunicação, S.A. (NET) is an operator of pay television in Brazil. At December 31, 2010 and 2011, AMX, through its subsidiaries Embratel Participações, S.A (Embrapar) and Embratel, had an equity interest in NET (directly and indirectly) of 84.8% and 87.5%, respectively. The investment in NET was not consolidated by AMX as of December 31, 2010 and 2011 because the Company did not have a controlling interest in the voting common shares at that time.

In September 2011, the Brazilian Congress lifted the 49% cap on foreign ownership of cable operators. Consequently, regulatory approval from Anatel was given to Embrapar to obtain control in NET in February 2012. As a result of this approval, AMX was legally entitled to exercise control over NET and accordingly obtained control on or about February 15, 2012. For convenience purposes, the Company has begun to consolidate NET from January 1, 2012, with the period from January 1, 2012 through February 15, 2012 not being material to the presentation of the unaudited interim consolidated financial statements for the six-month ended June 30, 2012.

The Company exercised its option in March 2012 and now owns a majority of the voting shares of NET. As of March 31, 2012, AMX through its subsidiaries Embrapar and Embratel owned 92.17% of NET's total equity and 81.3% of its voting shares.

**Table of Contents****Net Serviços de Comunicação, S.A.****Condensed Consolidated Statements of Financial Position**

(Thousand of Mexican pesos)

The following tables show condensed consolidated financial information of NET prior to the application of purchase accounting:

	<b>As of December 31,</b>	
	2010	2011
<b>Assets</b>		
Current assets	Ps. 15,880,829	Ps. 12,150,510
Non current assets	48,300,106	63,961,551
Total of assets	64,180,935	76,112,061
<b>Liabilities and equity</b>		
Current liabilities	9,373,879	12,968,905
Non-current liabilities	26,095,392	25,857,182
Total of liabilities	35,469,271	38,826,087
Total of equity	28,711,664	37,285,974
Total of liabilities and equity	Ps. 64,180,935	Ps. 76,112,061

As a result of AMX obtaining control of NET in February 2012, the Company must recognize the acquisition as a business combination in accordance with IFRS 3 based on the fair value of NET's assets acquired, liabilities assumed and the non-controlling interest. The purchase price for NET consists of the fair value of the equity method investment previously held, plus the amount of cash required to exercise the option to control NET.

The Company has derecognized its equity method investment in NET and was to recognize the difference between its carrying value and the fair value of the non-controlling interest at the acquisition date in comprehensive income during the quarter ended March 31, 2012. The Company is in the process of computing the fair value amount, but anticipates that the gain on the derecognition of its equity investment to be immaterial to the unaudited interim condensed consolidated financial statements.

The following tables show condensed consolidated financial information of NET, at preliminary estimated fair value as of the date of consolidation:

Current assets	Ps. 10,099,622
Property, plant and equipment	33,097,376
Other Assets	28,808,826
Total assets	72,005,824
Total liabilities	34,035,650
Total equity	37,970,174
Non-controlling interest	2,972,151
Total equity attributable to AMX	34,998,023
Purchase price	54,565,021
Goodwill	Ps. 19,566,998

The Company's purchase price allocation is preliminary in nature and will be finalized upon completion of independent appraisals of the fair value of the net assets acquired.

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**Table of Contents**

b) DLA, Inc. ( DLA )

On January 6, 2012, América Móvil, entered into an agreement with Claxson Interactive Group, Inc. during the fourth quarter of 2011, and has acquired as of such date 100% of the shares representing the capital stock of DLA, Inc. ( DLA ). The amount paid was Ps. 615,927 (US\$ 50 million).

DLA is the leading corporation in the development, integration and delivery of entertainment products made for digital distribution in Latin America.

c) Investment in KPN

On May 29, 2012, our subsidiary AMOV Europa B.V. ( AMOV ) commenced a partial tender offer in cash to all holders of ordinary shares of Koninklijke KPN N.V. ( KPN ). KPN is the leading telecommunications service provider in The Netherlands, which offers fixed-line and wireless telecommunications services, internet and Pay TV to consumers, and end-to-end telecommunications services to business customers. AMOV offered to purchase up to the number of shares that would result in AMOV and us holding 393,283,000 shares (representing a total of up to approximately 27.7% of all outstanding shares of KPN). The offer is subject to Dutch disclosure and procedural requirements, which differ from those of the United States. We purchased shares of KPN prior to commencing and during the offer; and as of June 27, 2012, América Móvil and AMOV held a total of 353,283,000 shares of KPN, representing 24.9% of the outstanding shares of KPN. The offer expired on June 27, 2012, and more than a sufficient number of shares needed for us to reach the maximum ownership amount of 27.7% of the outstanding shares was tendered. Upon closing of the tender offer, the total aggregate cost of our investment in KPN is expected to be approximately 3,070 million (Ps. 53,255 million).

d) Investment in Telekom Austria

On June 15, 2012, we agreed to acquire approximately 21% of the outstanding shares of Telekom Austria AG ( Telekom Austria ) from Marathon Zwei Beteiligungs GmbH, a wholly-owned subsidiary of RPR Privatstiftung, a private trust established by Mr. Ronny Pecik. Under the agreement, we acquired 5% of the outstanding shares of Telekom Austria, and upon receipt of certain governmental approvals and other authorizations customary in this type of transaction, we have the right to acquire additional shares representing approximately 16% of the outstanding shares of Telekom Austria. We have not disclosed the price for our interest, but based on recent market prices of Telekom Austria shares the total purchase price of this acquisition would be approximately 875 million (Ps. 15.0 billion). The acquisition of the additional shares is expected to close during 2012. Telekom Austria is the largest telecommunications company in Austria and also provides telecommunications services in Belarus, Bulgaria, Croatia, Liechtenstein, Macedonia, Serbia and Slovenia.

On September 25, 2012, after receiving the required regulatory approvals and as part of the transaction entered into on June 15, 2012, the Company acquired an additional approximate 16% of the outstanding shares of Telekom Austria. As of September 25, 2012, the Company holds, directly or indirectly, approximately 22.76% of the outstanding shares of Telekom Austria.

e) Simple Mobile, Inc.

On June 19, 2012, our subsidiary Tracfone Wireless Inc. acquired 100% of the operations of Simple Mobile Inc. for approximately US\$ 118.0 million (Ps. 1,651.7 million). Simple Mobile, Inc. is one of the fastest growing mobile virtual network operators (MVNOs) in the United States, with more than 2.5 million customer activations.

**4. Property, plant and equipment**

During the six-month period ended June 30, 2012, the Company has been investing in plant and equipment in order to increase and update its transmission network and other mobile and fixed assets for an amount of Ps 63,620,202.

At June 30, 2012, there were commitments in certain subsidiaries for the acquisition of equipment for incorporation into their GSM and 3G networks for an amount up to approximately US\$ 2,685 million (approximately Ps. 34,376 million). The estimated completion period for these projects in progress ranges from 3 to 6 months, depending on the type of project and the equipment supplier, as well as the type of asset.

**Table of Contents****5. Debt**

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

		At June 30, 2012		
Currency	Loan	Rate	Maturity from 2012 to	Total
<i>U.S. dollars</i>				
	ECA credits (fixed rate)	2.52%	2017	Ps. 1,452,979
		L+0.3%, L+0.35%, L+0.50% and		
	ECA credits (floating rate)	L+0.75%	2018	5,920,326
	Fixed-rate notes	2.375% - 8.57%	2040	168,735,826
		L+0.325%, L+0.35% and L+0.50%		
	Lines of credit	& 6.5% and 9.26%	2019	32,394,177
	Subtotal U.S. dollars			208,503,308
<i>Euros</i>				
	ECA credits (fixed rate)	2.00%	2022	156,156
	Fixed rate notes	3.75%, 4.125% and 4.75%	2022	47,601,699
	Lines of credit	Euribor+ 0.60%	2016	21,094,930
	Subtotal Euros			68,852,785
<i>Mexican pesos</i>				
	Lines of credit	TIEE + 0.60%	2012	35,000
	Fixed-rate notes	4.10% - 9.00%	2037	41,444,142
		Cetes + 0.55% & TIEE+ 0.40%		
	Floating rate notes	-1.50%	2016	27,600,000
	Subtotal Mexican pesos			69,079,142
<i>Reais</i>				
		4.50%, 8.78% and 9.20% &		
	Lines of credit	TJLP+4.5% & CDI+1.04%	2020	3,752,576
	Fixed-rate notes	4.5%	2018	2,421,141
		CDI+0.38% and CDI+1.04% &		
	Floating rate notes	IPCA+0.50%	2021	6,922,854
	Subtotal Brazilian reais			13,096,571
<i>Colombian pesos</i>				
	Bonds	IPC + 6.8% & 7.59%	2016	4,692,304
	Subtotal Colombian pesos			4,692,304

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<i>Other currencies</i>	Bonds	1.23% - 6.41%	2039	44,502,178
	Leases	2.75% - 8.97%	2027	370,986
		L + 0.33%, TAB+0.40% and 0.50%,		
	Lines of credit	Badlar Rate & 10.00%-19.45%	2018	15,004,946
	Subtotal other currencies			59,878,110
	<b>Total debt</b>			424,102,220
	Less: Short-term debt and current portion of long-term debt			23,158,093
	<b>Long-term debt</b>			Ps. 400,944,127

**Table of Contents**

At December 31, 2011				
Currency	Loan	Rate	Maturity from 2012 to	Total
<i>U.S. dollars</i>				
	ECA credits (fixed rate)	2.52 %	2017	Ps. 1,636,312
		L + 0.3%, L + 0.35%, L + 0.50%		
	ECA credits (floating rate)	and L + 0.75%	2018	6,780,181
	Fixed-rate notes	2.375% - 6.375%	2040	167,854,707
	Lines of credit	L + 0.25% L + 0.35% L + 0.325%	2014	14,015,863
	Subtotal U.S. dollars			190,287,063
<i>Euros</i>				
	ECA credits (fixed rate)	2.00%	2022	177,004
	Fixed-rate notes	3.75%, 4.125% and 4.75%	2022	49,865,633
	Subtotal Euros			50,042,637
<i>Mexican pesos</i>				
	Lines of credit	TIE + 0.60%	2012	55,000
	Fixed-rate notes	4.10%-10.20%	2037	41,680,565
		Cetes + 0.55% & TIE +		
	Floating-rate notes	-0.10% -1.50%	2016	32,600,000
	Subtotal Mexican pesos			74,335,565
<i>Reais</i>				
		4.50%, 8.78% y 9.20%, IPCA +		
	Lines of credit	0.5% & TJLP+4.5%	2021	2,707,482
	Subtotal Brazilian reais			2,707,482
<i>Colombian pesos</i>				
	Bonds	IPC + 6.8% & 7.59%	2016	4,464,945
	Subtotal Colombian pesos			4,464,945
<i>Other currencies</i>				
	Bonds	1.23% - 6.41%	2039	43,066,551
	Leases	2.75% - 8.97%	2027	527,535
	Lines of credit	L + 0.33%, TAB +0.40% and	2014	15,187,024
		0.425%, Badlar Rate & 10.00% -		



19.45%

Subtotal other currencies 58,781,110

**Total debt**  
380,618,802

Less: Short-term debt and  
current portion of long-term  
debt  
26,643,315

**Long-term debt**  
Ps. 353,975,487

Legend:

Badlar Rate = Interest rate paid in Argentina on fixed-term deposits of more than one million Argentinean pesos

CDI = Interbank Deposit Certificate

Cetes = Mexican Treasury Certificates

ECA = Export Credit Agreement

Euribor = European Interbank Offered Rate

IPCA = Brazil's consumer price index.

IPC = Consumer Price Index

L = LIBOR or London Interbank Offered Rate

TAB = Bankers and Financial Institutions Association Rate

TIIE = Mexican Weighted Interbank Interest Rate

TJLP = Long-term Interest Rate

**Table of Contents**

Except for the fixed-rate notes, interest rates on the Company's debt are subject to variances in international and local rates. The Company's weighted average cost of borrowed funds at June 30, 2012 and December 31, 2011 was approximately 4.8% and 5.2%, respectively.

Such rates do not include commissions or the reimbursements for Mexican tax withholdings (typically a tax rate of 4.9%) that the Company must make to international lenders. In general, fees on financing transactions add ten basis points to financing costs.

An analysis of the Company's short-term debt at June 30, 2012 and at December 31, 2011 is as follows:

	At June 30, 2012	At December 31, 2011
Domestic senior notes	Ps. 11,557,782	Ps. 10,300,000
Local bonds	1,926,116	648,424
Lines of credit used	3,062,352	9,568,760
Other loans	89,978	200,710
<b>Total</b>	<b>Ps.16,636,228</b>	<b>Ps.20,717,894</b>
 Weighted average interest rate	 <b>8.9%</b>	 5.1%

An analysis of maturities of the Company's long-term debt as of June 30, 2012 is as follows:

Year	Amount
2013	Ps. 14,513,898
2014	56,976,883
2015	39,792,612
2016	65,740,856
2017	32,870,894
2018 and thereafter	191,048,984
<b>Total</b>	<b>Ps. 400,944,127</b>

**Senior Notes** At June 30, 2012 and December 31, 2011, the Company has senior notes issued in U.S. dollars of US\$ 12,348 million (Ps. 168,736 million) and of US\$ 11,998 million (Ps. 167,855 million), respectively, maturing from 2014 to 2040. At June 30, 2012 and December 31, 2011, the Company also had senior notes issued in Mexican pesos of Ps. 69,044 and of Ps. 74,281 million, respectively, maturing from 2012 to 2037.

During 2011 America Movil issued seven senior notes as follows: US\$ 750 and US\$ 2,000 million, \$270 million of Swiss Francs, \$6,900 and \$5,100 million of Japanese Yen, \$1,000 million in Euros and \$500 million in Pounds. During the first quarter of 2012 America Movil issued senior notes of CNY \$1,000 million (Chinese Yuan) (Ps. 2,066 million or US\$ 160 million approximately) at a 3.5% rate with maturity in 2015.

**Lines of credit granted or guaranteed by export credit agencies** The Company has medium- and long-term financing programs for the purchase of equipment, with certain institutions, to promote exports and provide financial support to purchase export equipment from their respective countries. The outstanding balance under these plans at June 30, 2012 and December 31, 2011 is approximately Ps. 7,529 million and Ps. 8,593 million, respectively.

**Domestic notes**

At June 30, 2012 and December 31, 2011, debt under domestic notes aggregates to Ps. 58,595 million and Ps. 56,909 million, respectively. Some bear interest at fixed rates, and others at variable rates based on CETES (a rate based on the cost of Mexican treasuries) or THIE (a Mexican interbank rate), IPCA or CDI.

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In addition to the above, the Company has two commercial paper programs authorized by the Mexican Banking and Securities Commission (CNBV) for a total amount of Ps. 20,000 million.

## **Table of Contents**

### **General**

In conformity with the credit agreements, the Company is obligated to comply with certain financial and operating commitments. Such covenants limit in certain cases, the ability of the Company or the guarantor to: pledge assets, carry out certain types of mergers, sell all or substantially all of its assets, and sell control over Telcel.

Such covenants do not restrict the ability of AMX's subsidiaries to pay dividends or other payment distributions to AMX. The more restrictive financial covenants require the Company to maintain a consolidated ratio of debt to EBITDA (earnings before interest, tax, depreciation and amortization) that do not exceed 4 to 1, and a consolidated ratio of EBITDA to interest paid that is not below 2.5 to 1 (in accordance with the clauses included in the credit agreements). In certain instruments Telcel is subject to similar ratios and covenants as AMX. Also, Telmex Internacional is subject to financial covenants of maintaining a ratio of debt to EBITDA that does not exceed 3.5 to 1, and a consolidated ratio of EBITDA to interest paid that is not below 3 to 1 (in accordance with the clauses included in the credit agreements).

Several of the financing instruments of the Company are subject to early extinguishment or re-purchase, at the option of the debt holder in the case that a change in control occurs.

### **Restrictions (TELMEX):**

A portion of the debt is subject to certain restrictions with respect to maintaining certain financial ratios, as well as restrictions on selling a significant portion of groups of assets, among others. At June 30, 2012, the Company was in compliance with all these requirements.

A portion of the debt is also subject to early maturity or repurchase at the option of the holders in the event of a change in control of the Company, as so defined in each instrument. The definition of change in control varies from instrument to instrument; however, no change in control shall be considered to have occurred as long as Carso Global Telecom or its current shareholders continue to hold the majority of the Company's voting shares.

At June 30, 2012, the Company complied with all the conditions established in our debt agreements.

At June 30, 2012, approximately 70% of America Movil's total outstanding consolidated debt is guaranteed by Telcel.

### **Subsequent Events**

During July 2012, America Movil issued three new senior notes as follows: US\$ 1,250 million with maturity in 2022, US\$ 750 million with maturity in 2042 and 1,000 million with maturity in 2021.

On June 28, 2012, the Company commenced a solicitation (the "Consent Solicitation") to holders of Telmex's 5.50% Senior Notes due 2015, with an outstanding aggregate principal amount of US \$554,823,000, 8.75% Senior Notes due 2016, with an outstanding principal amount of Ps. 4,500,000,000 and 5.500% Senior Notes due 2019, with an outstanding principal amount of U.S. \$377,382,000 (together, the "Telmex Notes") to consent to amend Telmex's reporting covenants and other provisions in the indentures governing the Telmex Notes in exchange for AMX giving a guarantee of the Telmex Notes and the giving of a consent fee. If the terms and conditions of the Consent Solicitation are satisfied, the guarantees of the Telmex Notes will be the Company's unsecured and unsubordinated obligations and will rank equally in right of payment with all of Company's other unsecured and unsubordinated debt (including guarantees of subsidiaries' indebtedness). The Consent Solicitation expires on July 12, 2012 unless extended or earlier terminated.

**Table of Contents****6. Accounts Payable**

a) An analysis of the caption accounts payable and accrued liabilities is as follows:

	June 30 2012	December 31 2011
Suppliers	Ps. 99,767,119	Ps. 92,484,803
Sundry creditors	34,711,185	37,982,974
Interest payable	5,523,017	6,242,819
Accrued expenses and other provisions	36,673,146	37,156,996
Guarantee deposits	2,016,348	1,753,530
Dividends payable	17,261,003	3,119,333
<b>Total</b>	<b>Ps. 195,951,818</b>	<b>Ps. 178,740,455</b>

b) An analysis of accrued expenses and other provisions at June 30, 2012 and December 31, 2011 is as follows:

	Balance at December 31, 2011	Effect of translation	Increase of the year	Applications		Balance at June 30, 2012
				Payments	Reversals	
Direct employee benefits payable	Ps. 8,194,088	Ps. (250,363)	Ps. 6,750,352	Ps. (7,408,438)	Ps. (141,720)	Ps. 7,143,919
Asset retirement obligations	6,387,229	(330,089)	1,520,230	(244,240)	(5,055)	7,328,075
Contingencies	22,575,679	(1,812,874)	2,689,571	(1,197,014)	(54,210)	22,201,152
	<b>Ps. 37,156,996</b>	<b>Ps. (2,393,326)</b>	<b>Ps. 10,960,153</b>	<b>Ps. (8,849,692)</b>	<b>Ps. (200,985)</b>	<b>Ps. 36,673,146</b>

	Balance at December 31, 2010	Effect of translation	Increase of the year	Applications		Balance at December 31, 2011
				Payments	Reversals	
Direct employee benefits payable	Ps. 8,752,153	Ps. 75,425	Ps. 10,195,237	Ps. (10,764,332)	Ps. (64,395)	Ps. 8,194,088
Asset retirement obligations	4,681,409	79,891	1,661,841	(29,960)	(5,952)	6,387,229
Contingencies	18,100,789	266,616	5,034,512	(819,307)	(6,931)	22,575,679
	<b>Ps. 31,534,351</b>	<b>Ps. 421,932</b>	<b>Ps. 16,891,590</b>	<b>Ps. (11,613,599)</b>	<b>Ps. (77,278)</b>	<b>Ps. 37,156,996</b>

**7. Related Parties**

For the six-month periods ended June 30, 2012 and 2011, the Company conducted the following transactions with related parties:

	For the six-months ended June 30, 2012	2011
Revenues:		

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Long-distance services and other telecommunications services	<b>Ps. 159,641</b>	Ps. 256,445
Sale of materials and other services	<b>224,227</b>	207,627
International interconnection services	<b>230,551</b>	218,627
Other	<b>2,587</b>	4,295
<b>Total</b>	<b>Ps. 617,006</b>	Ps. 686,994
<b>Expenses:</b>		
Construction services, purchases of materials, inventories		
and fixed assets	<b>Ps. 2,406,036</b>	Ps. 2,011,124
Insurance premiums, fees paid for administrative and		
Operating services, brokerage services and others	<b>930,100</b>	868,919
Other	<b>542,655</b>	1,224,018
<b>Total</b>	<b>Ps. 4,012,383</b>	Ps. 4,104,061

**Table of Contents**

**8. Contingencies**

Included in the Company's annual financial statements is a disclosure of material contingencies as of December 31, 2011. Significant updates to that disclosure as of June 30, 2012 are as follows:

***Revocation of Fine Against Telcel by the Mexican Federal Antitrust Commission***

On May 2, 2012, our subsidiary Radiomóvil Dipsa, S.A. de C.V. ( Telcel ) was notified of a resolution issued by the Mexican Federal Antitrust Commission (*Comisión Federal de Competencia*, or Cofeco ) that revoked the Ps.11,989 million fine imposed by Cofeco in April 2011 for alleged monopolistic practices in the mobile termination market. As a condition to the revocation of the fine, Telcel must comply with certain undertakings that were proposed by it to Cofeco in March 2012. These undertakings are described in our 2011 Form 20-F. Certain of the operators that were parties to that proceeding have challenged the revocation of the fine.

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**Table of Contents**

**9. Equity**

a) The capital stock of the Company consists of a minimum fixed portion of Ps.397,873 (nominal amount), represented by a total of 95,489,724,196 shares (including treasury shares available for re-subscription in accordance with the provisions of the Mexican Securities Law), of which (i) 23,424,632,660 are common series AA shares; (ii) 776,818,130 are common series A shares; and (iii) 71,288,273,406 are series L shares. All such shares have been fully subscribed and paid.

b) At June 30, 2012 and December 31, 2011 the Company's capital stock is represented by 76,194,075,000 (23,424,632,660 series AA shares, 730,383,238 series A shares and 52,039,059,102 registered L shares) and 76,992,000,000 (23,424,632,660 series AA shares, 756,967,714 series A shares and 52,810,399,626 registered L shares) respectively.

c) At June 30, 2012 and December 31, 2011 the company's treasury shares included shares for re-subscription, in accordance with the provisions of the Mexican Securities Law, in the amount of 19,295,649,196 shares (19,290,156,810 series L shares and 5,492,386 series A shares) and 18,497,724,196 shares (18,495,699,196 series L shares and 2,025,000 series A shares) respectively.

d) The holders of Series AA and Series A shares are entitled to full voting rights. The holders of series L shares may only vote in certain circumstances, and they are only entitled to appoint two members of the Board of Directors and their respective alternates. The matters in which the shareholders who are entitled to vote are the following: extension of the term of the Company, early dissolution of the Company, change of corporate purpose of the Company, change of nationality of the Company, transformation of the Company, a merger with another company, as well as the cancellation of the registration of the shares issued by the Company in the National Securities Registry and any other foreign stock exchanges where they may be registered, except for quotation systems or other markets not organized as stock exchanges. Within their respective series, all shares confer the same rights to their holders.

The Company's bylaws contain restrictions and limitations related to the subscription and acquisition of Series AA shares by non-Mexican investors.

e) In accordance with the bylaws of the Company, Series AA shares must at all times represent no less than 20% and no more than 51% of the Company's capital stock, and they also must represent at all times no less than 51% of the common shares (entitled to full voting rights, represented by Series AA and Series A shares) representing capital stock.

Series AA shares may only be subscribed to or acquired by Mexican investors, Mexican corporations and/or trusts expressly empowered for such purposes in accordance with the applicable legislation in force. Common Series A shares, which may be freely subscribed, may not represent more than 19.6% of capital stock and may not exceed 49% of the common shares representing such capital. Common shares (entitled to full voting rights, represented by Series AA and Series A shares) may represent no more than 51% of the Company's capital stock.

Lastly, the combined number of series L shares, which have limited voting rights and may be freely subscribed, and series A shares may not exceed 80% of the Company's capital stock. For purposes of determining these restrictions, the percentages mentioned above refer only to the number of Company shares outstanding.



**Table of Contents****Dividends**

g) On April 25, 2012, the Company's shareholders approved payment of a cash dividend of \$0.20 pesos per share for each Series AA, A and L shares, to be paid in two installments of \$0.10 pesos per share, respectively.

Increase the amount of funds available for the acquisition of the Company's own shares by Ps. 30 billion in the terms set forth in Article 56 of the Securities Trading Act.

The aforementioned dividends were paid from the Net taxed profits account (CUFIN).

h) In accordance with Article 20 of the Mexican Corporations Act, at least 5% of the net profit of each year must be appropriated to increase the legal reserve. This practice must be continued each year until the legal reserve reaches at least 20% of the value of capital stock.

**10. Income Tax, Asset Tax and Flat-Rate Business Tax**

An analysis of income tax charged to results of operations for the six-months ended June 30, 2012 and 2011 is as follows:

	2012	2011
Current year income tax	<b>Ps. 21,975,286</b>	Ps. 23,228,972
Deferred income tax	<b>1,511,287</b>	(85,059)
<b>Total</b>	<b>Ps. 23,486,573</b>	Ps. 23,143,913

The Company's effective tax rate was 33.7% for the six months ended June 30, 2012 compared to 31.3% for the six months ended June 30, 2011. The primary reason for the decrease in the effective tax rate in 2012 was attributable primarily to the reflecting lower financial exchange rate gain.

**11. Components of other comprehensive income (loss)**

An analysis of the components of the other comprehensive loss as of June 30, 2012 and 2011 is as follows:

	2012	2011
Valuation of the derivative financial instruments, net of deferred tax	<b>Ps. 100,361</b>	Ps. (279,497)
Translation effect of foreign subsidiaries	<b>(18,055,136)</b>	(4,102,178)
Non-controlling interest of the items above	<b>(643,193)</b>	(1,001,071)
Other comprehensive loss	<b>Ps. (18,597,968)</b>	Ps. (5,382,746)

**12. Other Financial Assets and Liabilities**

Fair value hierarchy

At June 30, 2012 and December 31, 2011, América Móvil had the following financial instruments either measured or disclosed at fair value.

The Company's valuation techniques used to determine and disclose the fair value of its financial instruments are based on the following hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

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Level 2: Variables other than quoted prices in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and

Level 3: Variables used for the asset or liability that are not based on any observable market data (non-observable variables).

**Table of Contents**

For the six-month period ended June 30, 2012 and the year ended December 31, 2011, no transfers were made between Level 1 and Level 2 fair value measurement techniques.

	Measuring fair value at June 30, 2012			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Derivatives		Ps. 1,966,126		Ps. 1,966,126
Pension plan assets	Ps. 218,173,430			218,173,430
<b>Total</b>	<b>Ps. 218,173,430</b>	<b>Ps. 1,966,126</b>		<b>Ps. 220,139,556</b>
<b>Liabilities</b>				
Debt	Ps. 119,456,216	Ps. 336,388,897		Ps. 455,845,113
Derivatives		1,685,143		1,685,143
<b>Total</b>	<b>Ps. 119,456,216</b>	<b>Ps. 338,074,040</b>		<b>Ps. 457,530,256</b>

	Measuring fair value at December 31, 2011			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Derivatives		Ps. 7,777,953		Ps. 7,777,953
Pension plan assets	Ps. 215,657,633			215,657,633
<b>Total</b>	<b>Ps. 215,657,633</b>	<b>Ps. 7,777,953</b>		<b>Ps. 223,435,586</b>
<b>Liabilities</b>				
Debt	Ps. 390,859,513	Ps. 22,879,282		Ps. 413,738,795
Derivatives		873,398		873,398
<b>Total</b>	<b>Ps. 390,859,513</b>	<b>Ps. 23,752,680</b>		<b>Ps. 414,612,193</b>

**Table of Contents**

**13. Segment**

América Móvil operates in different countries. The Company has operations in Mexico, Guatemala, Nicaragua, Ecuador, El Salvador, Brazil, Argentina, Colombia, United States, Honduras, Chile, Peru, Paraguay, Uruguay, Dominican Republic, Puerto Rico, Jamaica and Panama.

The Company management analyzes the financial and operating information by geographical segment, except for Mexico, which shows América Móvil and Telmex as two segments. All significant operating segments that represent more than 10% of consolidated revenues, more than 10% of net profit and more than 10% of consolidated assets, are presented separately.

Mexico (1)	Telmex	Brazil	Southern Cone (2)	Colombia	Andean (3)	Central- America (4)	U.S.A. (5)	Caribbean (6)	Eliminations
78,085,284	Ps. 54,991,358	Ps. 81,947,270	Ps. 23,402,808	Ps. 26,652,437	Ps. 15,561,067	Ps. 8,815,935	Ps. 21,222,553	Ps. 12,546,816	Ps. (7,290,853)
38,647,299	12,926,650	5,483,213	4,522,732	8,456,611	5,115,879	75,635	537,448	1,375,367	(227,797)
4,296,778	8,465,688	17,926,091	2,892,836	4,149,907	1,812,929	3,022,270	170,778	2,361,055	
1,259,817,101	157,036,053	317,492,441	79,587,640	87,480,460	60,182,898	44,978,723	15,246,651	63,824,544	(1,189,979,291)
42,092,174	96,196,562	128,097,353	35,672,341	35,507,245	18,785,430	28,138,957	680,348	27,934,773	
88,398,257	53,043,227	109,064,100	30,427,332	35,972,926	20,548,365	11,322,446	28,782,313	14,024,369	(7,346,557)
40,355,692	9,858,089	6,986,748	4,831,345	11,847,752	6,445,040	(1,973,956)	1,417,235	1,144,299	222,593
4,176,843	8,363,694	20,611,253	3,341,452	5,109,334	2,274,182	4,942,540	203,504	2,831,138	
773,671,418	158,548,492	305,629,070	102,421,511	101,022,611	64,530,268	53,029,950	20,352,279	65,923,512	(653,483,714)
41,619,338	98,086,913	160,248,431	51,079,729	43,029,464	24,003,211	36,465,574	787,697	29,286,030	

(1) Mexico includes Telcel and corporate operations and assets

(2) Southern Cone includes Argentina, Chile, Paraguay and Uruguay

(3) Andean includes Ecuador and Peru.

(4) Central America includes Guatemala, El Salvador, Honduras, Nicaragua and Panama.

(5) Excludes Puerto Rico

(6) Caribbean includes the Dominican Republic, Puerto Rico and Jamaica

**Table of Contents**

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: September 27, 2012

**AMÉRICA MÓVIL, S.A.B. DE C.V.**

By: /s/ Carlos José García Moreno Elizondo  
Name: Carlos José García Moreno Elizondo  
Title: Chief Financial Officer