AMERICA MOVIL SAB DE CV/
Form 6-K
March 04, 2015

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 March 2015

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. (Check One)

Form 20-F x 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): ¨

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).

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

Unaudited Condensed Consolidated Statements of Financial Position

(In thousands of Mexican pesos)

	At September 30, 2014 Unaudited	At December 31, 2013 Audited
Assets		
Current assets:		
Cash and cash equivalents	**Ps. 89,728,451**	Ps. 48,163,550
Accounts receivable:		
Subscribers, distributors, recoverable taxes and other, net	**128,624,546**	127,872,657
Related parties (Note 6)	**1,041,655**	1,346,392
Derivative financial instruments	**16,796,723**	10,469,316
Inventories, net	**34,122,732**	36,718,953
Other assets, net	**19,811,406**	12,127,200
Total current assets	**290,125,513**	236,698,068
Non-current assets:		
Property, plant and equipment, net (Note 3)	**565,354,110**	501,106,951
Licenses and rights of use, net	**60,384,792**	37,053,832
Trademarks, net	**14,598,375**	1,166,306
Goodwill	**129,670,483**	92,486,284
Investment in associated companies (Note 4)	**48,165,752**	88,887,024
Deferred taxes	**58,283,410**	50,853,686
Other assets, net	**33,202,698**	17,340,282
Total assets	**Ps. 1,199,785,133**	Ps. 1,025,592,433
Liabilities and equity		
Current liabilities:		
Short-term debt and current portion of long-term debt (Note 5)	**Ps. 51,096,833**	Ps. 25,841,478
Accounts payable	**160,861,188**	154,137,312
Accrued liabilities	**41,729,563**	36,958,922
Taxes payable	**27,160,200**	22,082,241
Derivative financial instruments	**9,997,397**	5,366,323
Related parties (Note 6)	**1,389,375**	2,552,337
Deferred revenues	**39,722,115**	27,016,340
Total current liabilities	**331,956,671**	273,954,953
Long-term debt (Note 5)	**525,525,957**	464,478,366
Deferred taxes	**19,143,382**	1,628,409
Deferred revenues	**1,315,762**	1,105,294
Asset retirement obligations	**11,653,903**	7,516,460

Employee benefits	**73,184,212**	66,607,874
Total liabilities	**962,779,887**	815,291,356
Equity (Note 8):		
Capital stock	**96,385,288**	96,392,339
Retained earnings:		
Prior periods	**156,286,971**	122,693,933
Profit for the period	**42,839,347**	74,624,979
Total retained earnings	**199,126,318**	197,318,912
Other comprehensive loss items	**(105,673,197)**	(91,310,640)
Equity attributable to equity holders of the parent	**189,838,409**	202,400,611
Non-controlling interests	**47,166,837**	7,900,466
Total equity	**237,005,246**	210,301,077
Total liabilities and equity	**Ps. 1,199,785,133**	Ps. 1,025,592,433

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

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 nine-month periods ended September 30,	
	2014	2013
	Unaudited	**Unaudited**
Operating revenues:		
Mobile voice services	**Ps. 191,513,206**	Ps. 199,088,447
Fixed voice services	**85,023,563**	84,383,517
Mobile data voice services	**141,383,887**	118,160,686
Fixed data services	**71,076,955**	63,293,075
Paid television	**51,016,821**	44,853,893
Sales of equipment, accessories and computers	**63,772,418**	58,597,644
Other services	**15,170,789**	13,603,427
	618,957,639	581,980,689
Operating costs and expenses:		
Cost of sales and services	**278,416,257**	262,869,103
Commercial, administrative and general expenses	**133,041,882**	123,869,904
Other expenses	**6,791,500**	3,064,058
Depreciation and amortization	**85,137,880**	75,168,019
	503,387,519	464,971,084
Operating income	**115,570,120**	117,009,605
Interest income	**9,666,717**	4,155,344
Interest expense	**(29,233,301)**	(21,673,700)
Foreign currency exchange loss, net	**(5,797,076)**	(9,401,442)
Valuation of derivatives, interest cost from labor obligations and other financial items, net	**(6,951,270)**	(3,307,555)
Equity interest in net (loss) income of associated companies (Note 4)	**(1,851,613)**	20,370
Profit before income tax	**81,403,577**	86,802,622
Income tax (Note 9)	**37,293,663**	29,000,163
Net profit for the period	**Ps. 44,109,914**	Ps. 57,802,459
Net profit for the period attributable to:		
Equity holders of the parent	**Ps. 42,839,347**	Ps. 57,448,148
Non-controlling interests	**1,270,567**	354,311

	Ps.	**44,109,914**	Ps.	57,802,459
Basic and diluted earnings per share attributable to equity holders of the parent	**Ps.**	**0.62**	Ps.	0.78
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.**	**(12,837,814)**	Ps.	(20,800,457)
Effect of fair value of derivatives, net of deferred taxes		**(327,651)**		(537,013)
Items not to be reclassified to profit or loss in subsequent periods:				
Remeasurement of defined benefit plan, net of deferred taxes		**(701,309)**		1,232,442
Total other comprehensive loss items for the period, net of deferred taxes		**(13,866,774)**		(20,105,028)
Total comprehensive income for the period	**Ps.**	**30,243,140**	Ps.	37,697,431
Comprehensive income for the period attributable to:				
Equity holders of the parent	**Ps.**	**28,740,795**	Ps.	37,419,102
Non-controlling interests		**1,502,345**		278,329
	Ps.	**30,243,140**	Ps.	37,697,431

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

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 three-month periods ended September 30,	
	2014	2013
	Unaudited	**Unaudited**
Operating revenues:		
Mobile voice services	**Ps. 65,703,764**	Ps. 65,804,811
Fixed voice services	**31,066,736**	27,476,439
Mobile data voice services	**52,445,744**	40,511,146
Fixed data services	**25,863,394**	21,089,583
Paid television	**17,688,735**	14,978,895
Sales of equipment, accessories and computers	**22,242,629**	19,705,327
Other services	**5,872,982**	4,654,894
	220,883,984	194,221,095
Operating costs and expenses:		
Cost of sales and services	**97,574,897**	87,446,511
Commercial, administrative and general expenses	**49,262,583**	42,313,292
Other expenses	**4,857,277**	1,143,639
Depreciation and amortization	**31,550,974**	25,522,596
	183,245,731	156,426,038
Operating income	**37,638,253**	37,795,057
Interest income	**3,857,737**	1,481,968
Interest expense	**(10,953,496)**	(8,139,652)
Foreign currency exchange loss, net	**(8,969,850)**	(2,917,007)
Valuation of derivatives, interest cost from labor obligations and other financial items, net	**5,765,711**	(1,255,817)
Equity interest in net income of associated companies	**(2,033,330)**	(642,593)
Profit before income tax	**25,305,025**	26,321,956
Income tax (Note 9)	**14,101,204**	9,670,512
Net profit for the period	**Ps. 11,203,821**	Ps. 16,651,444
Net profit for the period attributable to:		
Equity holders of the parent	**Ps. 10,119,700**	Ps. 16,384,305
Non-controlling interests	**1,084,121**	267,139

	Ps.	**11,203,821**	Ps.	16,651,444
Basic and diluted earnings per share attributable to equity holders of the parent	**Ps.**	**0.15**	Ps.	0.22
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.**	**(12,329,281)**	Ps.	(2,635,595)
Effect of fair value of derivatives, net of deferred taxes		**(328,968)**		3,784
Items not to be reclassified to profit or loss in subsequent periods:				
Remeasurement of defined benefit plan, net of deferred taxes		**(1,478,004)**		815,621
Total other comprehensive (loss) income items for the period, net of deferred taxes		**(14,136,253)**		(1,816,190)
Total comprehensive (loss) income for the period	**Ps.**	**(2,932,432)**	Ps.	14,835,254
Comprehensive income for the period attributable to:				
Equity holders of the parent	**Ps.**	**(3,707,771)**	Ps.	14,085,449
Non-controlling interests		**775,339**		749,805
	Ps.	**(2,932,432)**	Ps.	14,835,254

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

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

Unaudited Condensed Consolidated Statements of Changes in Equity

For the nine-month period ended September 30, 2014

(In thousands of Mexican pesos)

Capital stock	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	Non-controlling interests
s. 96,392,339	Ps. 358,440	Ps. 196,960,472	Ps. (1,237,332)	Ps. (56,367,265)	Ps. (33,706,043)	Ps. 202,400,611	Ps. 7,900,466
		42,839,347				42,839,347	1,270,567
				(699,009)		(699,009)	(2,300)
			(328,035)			(328,035)	384
					(13,071,508)	(13,071,508)	233,694
		42,839,347	(328,035)	(699,009)	(13,071,508)	28,740,795	1,502,345
		(16,677,120)				(16,677,120)	
(7,051)		(24,335,587)				(24,342,638)	
			7,935	100	(279,000)	(270,965)	37,899,868

		(19,234)			6,960	(12,274)	(135,842)
s. 96,385,288	Ps. 358,440	Ps. 198,767,878	Ps. (1,557,432)	Ps. (57,066,174)	Ps. (47,049,591)	Ps. 189,838,409	Ps. 47,166,837

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

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

Unaudited Condensed Consolidated Statements of Changes in Equity

For the nine-month period ended September 30, 2013

(In thousands of Mexican pesos)

Capital stock	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	Non-controlling interests
Ps. 96,414,841	Ps. 358,440	Ps. 210,598,355	Ps. (496,011)	Ps. (54,077,454)	Ps. (7,220,700)	Ps. 245,577,471	Ps. 9,270,775
		57,448,148				57,448,148	354,311
			(537,373)			(537,373)	360
				1,232,442		1,232,442	
					(20,724,115)	(20,724,115)	(76,342)
		57,448,148	(537,373)	1,232,442	(20,724,115)	37,419,102	278,329
		(16,256,247)				(16,256,247)	
(18,773)		(58,157,021)				(58,175,794)	
		(236,337)				(236,337)	(967)

Ps. 96,396,068	Ps. 358,440	Ps. 193,396,898	Ps. (1,033,384)	Ps. (52,845,012)	Ps. (27,944,815)	Ps. 208,328,195	Ps. 9,548,137

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

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

Unaudited Condensed Consolidated Statements of Cash Flows

(In thousands of Mexican pesos)

	For the nine-month period ended September 30, 2014 Unaudited	2013 Unaudited
Operating activities		
Profit before income tax	**Ps. 81,403,577**	Ps. 86,802,622
Items not requiring the use of cash:		
Depreciation	**76,797,535**	69,882,311
Amortization of intangible assets	**8,340,345**	5,285,708
Loss on derecognition of equity method investment (Note 4a)	**3,172,218**	
Equity interest in net loss (income) of associated companies	**1,851,613**	(20,370)
Loss on sale of property, plant and equipment	**114,238**	8,362
Net period cost of labor obligations	**5,221,709**	5,464,261
Foreign currency exchange loss, net	**2,263,621**	4,484,207
Interest income	**(9,666,717)**	(4,155,344)
Interest expense	**29,233,301**	21,673,700
Employee profit sharing	**3,135,686**	3,410,916
Gain in valuation of derivative financial instruments, capitalized interest expense and other, net	**(6,996,872)**	(7,166,639)
Loss on partial sale of investment in associated company (Note 4a)	**5,327,283**	
Working capital changes:		
Accounts receivable from subscribers, distributors and other	**6,466,890**	(4,450,561)
Prepaid expenses	**2,092,591**	3,813,670
Related parties	**(858,225)**	(207,398)
Inventories	**3,325,464**	(8,883,254)
Other assets	**(6,592,808)**	(831,588)
Employee benefits	**(9,481,777)**	(12,934,361)
Accounts payable and accrued liabilities	**(12,137,181)**	(7,621)
Employee profit sharing paid	**(4,412,466)**	(4,098,759)
Financial instruments and other	**2,688,249**	(3,541,010)
Deferred revenues	**(28,500)**	321,685
Interest received	**3,853,342**	1,633,096
Income taxes paid	**(24,247,756)**	(30,679,413)
Net cash flows provided by operating activities	**160,865,360**	125,804,220
Investing activities		
Purchase of property, plant and equipment (Note 3)	**(80,173,779)**	(86,521,020)
Proceeds from sale of plant, property and equipment	**102,103**	37,465
Dividends received from associates	**99,953**	83,165
Purchase of telecommunications licenses	**(1,018,190)**	(2,915,542)

Acquisition of business, net of cash acquired (Note 4c)	**(11,075,229)**	(1,711,152)
Proceeds from partial sale of investment in associated company (Note 4a)	**12,066,037**	
Investments in associated companies (Note 4)	**(3,784,676)**	(14,541,122)
Net cash flows used in investing activities	**(83,783,781)**	(105,568,206)
Financing activities		
Loans obtained	**45,372,479**	121,446,582
Repayment of loans	**(22,185,648)**	(29,026,448)
Interest paid	**(25,375,440)**	(17,504,041)
Repurchase of shares	**(24,721,105)**	(58,331,134)
Dividends paid	**(8,232,537)**	(7,870,732)
Derivative financial instruments	**489,560**	(400,178)
Acquisitions of other non-controlling interests	**(148,116)**	(237,304)
Net cash flows (used in) provided by financing activities	**(34,800,807)**	8,076,745
Net increase in cash and cash equivalents	**42,280,772**	28,312,759
Adjustment to cash flows due to exchange rate fluctuations	**(715,871)**	(1,573,917)
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. 89,728,451**	Ps. 72,226,042

Non-cash transactions related to:

	2014	**2013**
Investing activities		
Purchases of property, plant and equipment in accounts payable at period end	**Ps. 5,096,567**	Ps. 11,123,623

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

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 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 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 March 2, 2015. Subsequent events have been considered through the same date.

Relevant events

a) On September 30, 2014, Claro Brazil (a subsidiary of the Company) was granted the use of 20MHz of spectrum nationwide in the 700MHz frequency for a 15-year period through a public auction process. The spectrum will be used in conjunction with our 4G-LTE network. Such licenses were paid and recorded in December 2014 for an amount of Ps.9,662,052.

b) In July 2014, the Company s Board of Directors approved the implementation of various measures to reduce its national market share in the Mexican telecommunications market to under 50% in order to cease to be a preponderant economic agent , which are still under the analysis of the Company s management and subject to approval of the Mexican telecommunication regulator.

The Company s Board of Directors also decided that all cellular sites, including towers and related passive infrastructure, are to be separated from its Mexican subsidiary of mobile services for their corresponding operation and commercialization to all interested parties. As of the date of the preparation of these financial statements, the Company is still analyzing the cellular sites, towers and related passive infrastructure that could be separated from its Mexican subsidiary of mobile services. Also the conditions required in IFRS 5 Non-current assets held for sale and discontinued operations have not been met for such assets to be considered as held for sale.

c) On April 23, 2014, Österreichische Industrieholding AG (ÖIAG) entered into a shareholders agreement, effective since June 27, 2014, with AMX, by which the parties have contractually undertaken to jointly pursue a long-term policy with regard to the management of Telekom Austria AG (TKA), by exercising voting rights on a concerted basis (Syndicate Agreement). Furthermore, the Syndicate Agreement contains rules on the uniform exercise of voting rights in the corporate bodies of TKA, nomination rights for members of the Supervisory and Management Boards and share transfer restrictions. The shareholders agreement and Public offer were subject to certain regulatory approvals. Once the conditions were satisfied, AMX obtained operational responsibilities in Telekom Austria and enhanced its role in their supervisory and Management Board resulting in power to direct relevant activities of TKA.

On May 15, 2014, AMX published a voluntary public takeover offer for all shares of TKA (Offer). On July 17, 2014, at the end of the Offer period, AMX held in total 50.81% of the share capital of TKA, while ÖIAG continued to hold 28.42%. The Syndicate Agreement currently covers 351.0 million shares of TKA, which equates to a shareholding of 79.23%.

See further disclosures related to the acquisition of Telekom Austria in Note 4c. and subsequent events in Note 13.

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 consolidated 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 Company in Mexico and the ones used in these unaudited interim condensed consolidated financial statements.

b) 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 concluded that the **IAS 32,** ***Offsetting Financial Assets and Financial Liabilities Amendments to IAS 32*** did not have an impact in its unaudited interim condensed consolidated financial statements.

The Company adopted the **IFRIC Interpretation 21,** ***Levies*** **(IFRIC 21)** did not have an impact in its unaudited interim condensed consolidated financial statements.

The Company has concluded that the **IAS 39 Novation of Derivatives and Continuation of Hedge Accounting** ***Amendments to IAS 39*** did not have an impact in its unaudited interim condensed consolidated financial statements.

The Company adopted the **IAS 36 Recoverable Amount Disclosures for Non-Financial Assets** ***Amendments to IAS 36*** did not have an impact in its unaudited interim condensed consolidated financial statements.

The Company has concluded that the **IAS 16 Property, Plant and Equipment** ***and IAS 38 Intangible Assets*** did not have an impact in its unaudited interim condensed consolidated financial statements.

The Company adopted the **IAS 24 Related Parties Disclosures** did not have an impact in its unaudited interim condensed consolidated financial statements.

The Company has concluded that the **Annual Improvements to IFRSs 2010-2012 Cycle and 2011-2013 Cycle** did not have an impact in its unaudited interim condensed consolidated financial statements.

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 on its consolidated financial statements.

IFRS 15, *Revenue from Contracts with Customers*

In May, 2014, the IASB issued 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.

IFRS 8 *Operating Segments*

The amendments are applied retrospectively and clarifies that:

i) An entity must disclose the judgments made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are similar

The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker (CODM), similar to the required disclosure for segment liabilities. This disclosure has not been included as the CODM does not review this reconciliation as part of financial information.

The Company adopted this new standard and has made the disclosures related to the aggregation of segments in the disclosures included in Note 12.

c) Reclassification

During 2014, the Company separated revenue from the sales of equipment, accessories and computer and revenue from other services as follow:

	For the nine-month periods ended September 30, 2013		
	As previously reported	Reclassification	As reclassified
Unaudited condensed consolidated statement of Comprehensive Income nine months:			
Equipment, accessories, computer sale and other services	Ps. 72,201,071	Ps. (72,201,071)	Ps.
Sales of equipment, accessories and Computer		58,597,644	58,597,644
Other services		13,603,427	13,603,427
	Ps. 72,201,071	Ps.	Ps. 72,201,071

	For the three-month periods ended September 30, 2013		
	As previously reported	Reclassification	As reclassified
Unaudited condensed consolidated statement of Comprehensive Income three months:			
Equipment, accessories, computer sale and other services	Ps. 24,360,221	Ps. (24,360,221)	Ps.
Sales of equipment, accessories and Computer		19,705,327	19,705,327
Other services		4,654,894	4,654,894
	Ps. 24,360,221	Ps.	Ps. 24,360,221

3. Property, plant and equipment

During the nine-month periods ended September 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.80,173,779 and Ps.86,521,020, respectively.

4. Investments in Associates and Business Combinations

a) Changes in the balance in associates

The balance of the Company s investments in associates primarily represents the Company s European investment (Koninklijke KPN N.V. KPN). During the nine months ended September 30, 2014, the carrying value of the Company s investments in associates decreased by Ps. 40,721,272 billion. This net decrease was a result of:

The sale of certain shares of KPN during the period. The Company received proceeds for the sale of Ps. 12,066,037, and then derecognized a total of Ps. 17,393,320 (measured using the average cost basis), resulting in a loss on the sale of the shares of Ps. 5,327,283 which was recorded in Valuation of derivatives, interest cost from labor obligation and other financial items, net in the accompanying unaudited condensed statement of comprehensive income.

The equity method in earnings on investments in associates, and the changes in the carrying value of the Company s investments in associates attributable to the translation of foreign currencies for the nine month period was a loss of Ps. 4.8 billion.

The derecognition of the investment in the associate TKA of Ps 18.5 billion upon consolidation of this associate in July 2014. As part of the derecognition of its previous equity investment on TKA, the Company recognized a loss of Ps. 3.1 billion in its unaudited condensed statements of comprehensive income.

b) Fair Value of Publicly traded investment

As September 30, 2014, the Company owns 912,989,841 shares of KPN, which represents 21.4% of the outstanding shares. The carrying value of the investment in KPN is Ps.45.6 billion. KPN s shares are traded in the Amsterdam Stock Exchange, and the closing price for such shares was 2.5 per share at September 30, 2014, equating to a Level 1 fair value of the Company s investment in KPN of Ps.39.4 billion at September 30, 2014 exchange rates; accordingly, the carrying value of the investment is Ps. 6.2 billion higher than its Level 1 fair value. However, at March 2, 2015 the closing price for KPN traded in the Amsterdam Stock Exchange is 3.073 per share, equating to a Level 1 fair value of the Company s investment in KPN of Ps.46.8 million, an amount in excess of its carrying value.

c) Business Combination

On July 10, 2014, the Company through share acquisition and a Shareholders Agreement obtained control of the telecommunications company Telekom Austria AG, acquiring an additional 22.9% of the outstanding shares to reach share ownership of 50.8%. The main goal for the Company was the further development of Telekom Austria. This acquisition was valuated at its fair value at the purchase date. The total purchase price was Ps. 13,256,128. As the transaction related costs are deemed to be immaterial were expensed by the Company as incurred and recorded as a part of other expenses in the accompanying unaudited interim consolidated statements of comprehensive income. TKA was included in operating results from July 1, 2014.

The preliminary allocation of the purchase price was based upon a preliminary valuation and the Company s estimates and assumptions are subject to change within the purchase price allocation period (generally one year form the acquisition date). The primary areas of the purchase price allocation that are not yet finalized related to other currents assets, licenses and right of use, trademarks Property and equipment an long term debt.

The Company s preliminary fair values of the net identifiable assets and liabilities as at the date of the transaction is as follows:

Cash and cash equivalents	Ps.	2,180,899
Trade receivables		12,023,422
Other current assets		4,745,510
Property and equipment		79,168,329
Licenses and rights of use		27,504,303
Trademarks		12,535,127
Other non current assets		11,939,628
Total assets acquired		150,097,218

Liabilities and account payable short-term	33,930,605
Liabilities and account payable long-term	18,557,245
Deferred tax liability	13,946,782
Long term debt	55,038,155
Total liabilities assumed	121,472,787

Total identified net assets at fair value	28,624,431
Non-controlling interest measured at fair value (49.2% of net assets)	(37,899,868)
Goodwill arising on acquisition	37,913,072
Fair value of the investment in Telekom Austria at the acquisition date	Ps. 28,637,635

Consideration transferred:	
Fair value of the prior investment	Ps. 15,381,507
Cash paid	13,256,128
Total consideration transferred	**Ps. 28,637,635**

	Cash-flow on acquisition at September 30, 2014	
Cash paid	Ps.	(13,256,128)
Cash acquired with the subsidiary		2,180,899
Net cash flow on acquisition	**Ps.**	**(11,075,229)**

Goodwill acquired:

	Goodwill
Controlling interest	Ps. 19,263,632
Non-controlling interest	18,649,440
Total	**Ps. 37,913,072**

The fair value of the trade receivables amounts to Ps. 12,023,422 However, none of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

The preliminary goodwill of Ps. 37,913,072 comprises the value of expected synergies arising from the acquisition. Goodwill is allocated entirely to the European segment. None of the goodwill recognized is expected to be deductible for income tax purposes.

d) Unaudited pro forma financial data

The following unaudited pro forma consolidated financial data for the periods ended September 30, 2014 and 2013 has not been audited and is based on the unaudited historical financial statements of the Company adjusted to give effect to (i) the acquisition of Telekom Austria; and (ii) certain accounting adjustments of the assets and liabilities of the acquired company.

The pro forma results of operations assume that the acquisition was completed at the beginning of the acquisition year and are based on the information available and some assumptions that the management believes are reasonable. The pro forma financial data not intended to indicate what the operations of the Company had been if the operations were occur at that date, or predict the results of the operations of the Company.

		Unaudited pro forma consolidated financial data for the nine month period ended on September 30, 2014
Operating revenues	Ps.	654,527,629
Income before income taxes		82,924,875
Net income		43,570,284

5. Debt

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

		At September 30, 2014		
			Maturity	
Currency	**Loan**	**Interest rate**	**From 2014 to**	**Total**
U.S. dollars				
	Fixed-rate Senior notes (i)	2.375% - 7.5%	2042	**Ps. 192,149,425**
	Floating rates Senior notes (i)	L + 1.0%	2016	**10,090,575**
	Financial Leases	3.75%	2015	**129,652**
	Lines of credit (iii)	4.00% - 7.70% and L + 2.10%	2023	**13,487,343**
	Subtotal U.S. dollars			**215,856,995**
Mexican pesos				
	Fixed-rate Senior notes (i)	6.00% - 9.00%	2037	**78,132,058**
	Floating rate Senior notes (i)	TIIE + 0.40% - 1.50%	2016	**15,600,000**
	Lines of credit (iii)	TIIE + 0.05% - 1.00%	2015	**311,048**
	Subtotal Mexican pesos			**94,043,106**
Euros				
	Lines of credit (iii)	3.10% - 5.41% and Eurolibor + 0.78% - 0.92%	2020	**13,449,913**
	Fixed-rate Senior notes (i)	13.0% - 6.375%	2073	**163,141,188**
	Subtotal Euros			**176,591,101**
Sterling Pounds				
	Fixed-rate Senior notes (i)	4.375% - 6.375%	2073	**59,986,114**
	Subtotal Sterling pounds			**59,986,114**
Swiss francs				
	Fixed-rate Senior notes (i)	1.125% - 2.25%	2018	**14,790,917**

	Subtotal Swiss francs			**14,790,917**
Reals				
	Lines of credit (iii)	3.0% - 6.00%	2018	**4,030,981**
	Subtotal Brazilian reais			**4,030,981**
Colombian pesos				
	Fixed-rate Senior notes (i)	7.59%	2016	**2,984,671**
	Subtotal Colombian pesos			**2,984,671**
Other currencies				
	Fixed-rate Senior notes (i)	1.23% - 3.96%	2039	**7,972,131**
	Financial Leases	5.05% - 8.97%	2027	**366,774**
	Subtotal other currencies			**8,338,905**
	Total debt			**Ps. 576,622,790**
	Less: Short-term debt and current portion of long-term debt			**51,096,833**
	Long-term debt			**Ps. 525,525,957**

		At December 31, 2013		
Currency	**Loan**	**Interest rate**	**Maturity From 2014 to**	**Total**
U.S. dollars				
	ECA credits (fixed rate)	**2.52%**	2017	**Ps. 973,269**
	ECA credits (floating rate)	**L + 0.35% y L + 0.75%**	2018	**3,602,208**
	Fixed-rate Senior notes (i)	**2.375% - 7.50%**	2042	**197,427,022**
	Floating rate Senior notes (i)	**L + 1.0%**	2016	**9,807,375**
	Financial Leases	**3.75%**	2015	**217,525**
	Lines of credit (iii)	**7.25% - 7.75%**	2023	**2,183,776**
	Subtotal U.S. dollars			**214,211,175**
Mexican pesos				
	Fixed-rate Senior notes (i)	**6.45% - 9.00%**	**2037**	**61,732,805**
	Floating rate Senior notes (i)	**TIIE + 0.40% - 1.50%**	**2016**	**15,600,000**
	Subtotal Mexican pesos			**77,332,805**
Euros				
	Fixed-rate Senior notes (i)	**3.0% - 6.375%**	**2073**	**106,927,652**
	Subtotal Euros			**106,927,652**
Sterling pounds				
	Fixed-rate Senior notes (i)	**4.375% - 6.375%**	**2073**	**59,539,593**
	Subtotal Sterling pounds			**59,539,593**
Swiss francs				
	Fixed-rate Senior notes (i)	**1.125% - 2.25%**	**2018**	**15,377,226**
	Subtotal Swiss francs			**15,377,226**
Reals				
	Lines of credit	**3.0% y 4.50%**	**2018**	**2,842,941**

	Subtotal Brazilian reais			**2,842,941**
Colombian pesos				
	Fixed-rate Senior notes (i)	**7.59%**	**2016**	**3,053,941**
	Subtotal Colombian pesos			**3,053,941**
Other currencies				
	Fixed-rate Senior notes (i)	**1.23% - 3.96%**	**2039**	**10,493,312**
	Financial Leases	**5.05% - 8.97%**	**2027**	**473,117**
	Lines of credit (iii)	**19.00%**	**2014**	**68,082**
	Subtotal other currencies			**11,034,511**
	Total debt			**490,319,844**
	Less: Short-term debt and current portion of long-term debt			**25,841,478**
	Long-term debt			**Ps. 464,478,366**

L = LIBOR o London Interbank Offer Rate

TIIE = Tasa de Interés Interbancaria de Equilibrio

ECA = Export Credit Agreement

Euribor = Euro Interbank Offered Rate

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 September 30, 2014 and December 31, 2013 was approximately 4.7% and 4.8%, 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 as of September 30, 2014 and December 31, 2013, is as follows:

	2014	2013
Domestic Senior Notes	**Ps. 13,600,000**	Ps. 9,000,000
International Bonds	**33,280,188**	13,576,670
Lines of credit used	**1,955,184**	617,295
Leases	**129,652**	
Subtotal short-term debt	**Ps. 48,965,024**	Ps. 23,193,965
Weighted average interest rate	**4.3%**	5.0%

An analysis of the Company s long-term debt maturities is as follows:

Year	**Amount**
2015	**Ps. 14,166,209**
2016	**67,535,061**
2017	**40,761,315**
2018	**34,922,138**
2019	**43,235,107**
2020 and thereafter	**324,906,127**
Total	**Ps. 525,525,957**

(i) Senior Notes

The outstanding Senior Notes at September 30, 2014 and December 31, 2013 are as follows:

Currency*	**2014**	2013
U.S. dollars	**$ 202,240,000**	$ 207,234,397
Mexican pesos	**97,732,058**	77,332,805
Euro	**163,141,188(*)**	106,927,652
Sterling pounds	**59,986,114**	59,539,593
Swiss francs	**14,790,917**	15,377,226
Japanese yen	**3,067,510**	3,104,287
Chinese yuan	**2,191,436**	2,159,870

Colombian pesos	**2,984,671**	3,053,941
Chilean pesos	**2,713,185**	5,229,155

* Thousands of Mexican pesos

(*) Includes Ps. 51,831,315 of Telekom Austria in 2014.

During the second quarter of 2014, América Móvil issued notes for Euro 600,000 due 2018 with a coupon of 1%. Likewise, the Company has issued two new notes under the program of peso-denominated notes for Ps.10,000,000 due 2019 with a coupon of 6% and for Ps.7,500,000 due 2024 with a coupon of 7.125%. The notes are registered with both the U.S. Securities and Exchange Commission and the Mexican Banking and Securities Commission (CNBV).

(ii) Domestic Notes

At September 30, 2014 and December 31, 2013, debt under domestic bonds aggregates to Ps.36,360,359 and Ps.37,461,105, respectively. Some bear interest at fixed rates and others at variable rates based on TIIE (a Mexican interbank rate).

(iii) Lines of Credit

At September 30, 2014 and December 31, 2013, debt under Lines of Credit aggregates to Ps.31,279,285 (including Ps. 13,449,913 of Telekom Austria) and Ps.5,094,799, respectively.

Likewise, the Company has two revolving syndicated facilities one for U.S.$2,000,000 and one for the Euro equivalent of U.S.$2,000,000 currently unwilling. The Euro equivalent revolving syndicated facility was amended in July 2013 to increase the amount available to U.S.$2,100,000. Loans under the facility bear interest at variable rates based on LIBOR and EURIBOR.

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 September 30, 2014, 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.

Covenants

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). Telmex Internacional is subject to financial covenants of maintaining a ratio of debt to EBITDA that does not exceed 3.5 a 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.

At September 30, 2014 and December 31, 2013, the Company complied with all the conditions established in the Company s debt agreements.

At September 30, 2014, approximately 40% of America Movil s total outstanding consolidated debt is guaranteed by Telcel.

6. Related Parties

a) The following is an analysis of the balances with related parties at September 30, 2014 and December 31, 2013. All of the companies are considered as associates or affiliates of América Móvil since the Company or the Company s principal shareholders are also direct or indirect shareholders in the related parties.

	2014	2013
Accounts receivable:		
Sanborn Hermanos, S.A.	**Ps. 62,227**	Ps. 235,075
Sears Roebuck de México, S.A. de C.V.	**165,379**	353,724
AT&T Corp. (AT&T)		80,438
Patrimonial Inbursa, S.A.	**241,655**	245,318
Other	**572,394**	431,837
Total	**Ps. 1,041,655**	Ps. 1,346,392
Accounts payable:		
Fianzas Guardiana Inbursa, S.A. de C.V.	**Ps. 148,057**	Ps. 212,765
Operadora Cicsa, S.A. de C.V.	**372,868**	280,374
PC Industrial, S.A. de C.V.	**57,684**	176,095
Microm, S.A. de C.V.	**18,985**	77,690
Grupo Financiero Inbursa, S.A.B. de C.V.	**35,135**	36,366
Conductores Mexicanos Eléctricos y de Telecomunicaciones, S.A. de C.V.	**108,405**	52,268
Acer Computec México, S.A. de C.V.	**10,205**	32,214
Sinergia Soluciones Integrales de Energia, S.A. de C.V.	**19,404**	35,826
Eidon Software, S.A. de C.V.	**7,574**	25,461
AT&T		1,039,043
Other	**611,058**	584,235
Total	**Ps. 1,389,375**	Ps. 2,552,337

b) For the nine-month periods ended September 30, 2014 and 2013, the Company conducted the following transactions with related parties:

	2014	2013
Revenues:		
Sale of long-distance services and other telecommunications services	**Ps. 227,151**	Ps. 361,771
Sale of materials and other services	**349,986**	258,123
Call termination revenues and other	**200,393**	316,727
Others	**216**	3,177
	Ps. 777,746	Ps. 939,798

	2014	2013
Investments and expenses:		
Construction services, purchases of materials, inventories and property, plant and equipment	**Ps. 3,588,426**	Ps. 3,150,130
Insurance premiums, fees paid for administrative and operating services, brokerage services and others	**1,421,412**	1,574,452
Interconnection cost	**6,121,450**	11,325,991
Other services	**739,305**	873,024
	Ps. 11,870,593	Ps. 16,923,597

On June 27, 2014, Inmobiliaria Carso, S.A. de C.V. and Control Empresarial de Capitales, S.A. de C.V. acquired the share that AT&T had of the Company s stock. Therefore, since such date AT&T is no longer considered a related party and is thus not included in the September 30, 2014 related party disclosures with respect to the analysis of the balances with related parties. AT&T is included as a related party the September 30, 2013 disclosures above and in 2014 up to the period ended June 27, 2014.

c) For the three-month periods ended September 30, 2014 and 2013, the Company conducted the following transactions with related parties:

	2014	2013
Revenues:		
Sale of long-distance services and other telecommunications services	**Ps. 74,853**	Ps. 154,138
Sale of materials and other services	**117,753**	131,513
Call termination revenues and other	**3,973**	64,429
Others	**75**	364
	Ps. 196,654	Ps. 350,444

	2014	2013
Investments and expenses:		
Construction services, purchases of materials, inventories and property, plant and equipment	**Ps. 1,472,414**	Ps. 1,025,731
Insurance premiums, fees paid for administrative and operating services, brokerage services and others	**559,243**	708,529
Interconnection cost	**120,557**	3,120,786
Other services	**445,055**	337,492
	Ps. 2,597,269	Ps. 5,192,538

7. Contingencies

Included in Note 17 on pages F-72 to F-84 of the Company s 2013 Form 20-F is a disclosure of the material contingencies outstanding as of December 31, 2013.

8. Equity

a) At September 30, 2014 and December 31, 2013, the Company s capital stock was represented by 68,787,850,000 (23,384,632,660 series AA shares, 648,990,662 series A shares and 44,754,226,678 registered L shares) and 70,475,000,000 (23,424,632,660 series AA shares, 680,805,804 series A shares and 46,369,561,536 registered L shares), respectively.

b) 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 of them fully subscribed and paid.

c) At September 30, 2014 and December 31, 2013, the Company s treasury shares included shares for re-subscription, in accordance with the provisions of the Mexican Securities Law, in the amount of 26,701,874,196 shares (26,701,219,883 series L shares and 654,313 series A shares) and 25,014,724,196 (25,007,472,235 series L shares and 7,251,961 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 (*Registro Nacional de Valores*) 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 said 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 the Company s shares outstanding.

Dividends

f) On April 28, 2014, the Company s shareholders approved:

i) the payment of a cash dividend from the consolidated net profit tax account (*cuenta de utilidad fiscal neta consolidada*), of Ps.0.24 (twenty-four peso cents), payable in two installments, for each shares of its capital stock series AA , A and L outstanding as of the date of the dividend payment, subject to adjustments arising from other corporate events (including repurchase or placement of its own shares) that may vary the number of shares outstanding as of the date of said dividend payment; and

g) On April 22, 2013, the Company s shareholders approved, among others resolution, the (i) payment of a cash dividend of $0.22 pesos per share to each of the shares of its capital stock series AA , A and L . The amount of the cash dividend declared was paid in two exhibitions of $0.11 pesos, on July 19th, and November 15, 2013, respectively.

Undated Subordinated Fixed Rate Bond

On January 24, 2013, Telekom Austria issued a Undated Subordinated Fixed Rate Bond with a face value of $ 600 million euros, which is subordinated with indefinite maturity which is, based on its conditions, classified as stockholders equity according to IFRS.

The bond pays an annual coupon of 5.625%. The company has the right (call), to redeem the bond on February 1, 2018. Telekom Austria has an early termination right under certain conditions. After that period (2018), the bond establishes conditions and increases the coupon rate every five years. After analyzing the conditions of the issue, Telekom Austria recognized the cash received with a credit to equity in the consolidated statement of financial position and valued the instrument in equity, since it considers that it did not meet the criteria for classification as financial liability, not because it does not represent an obligation to pay.

The Company recognized this bond as an item of equity (non-controlling interest), following the same recognition criteria as Telekom Austria. At the date of issuance of these interim financial statements, the Company is currently in negotiations with the financial institutions involved to achieve the necessary modification of the terms of this bond to allow it to meet the criteria for classification as a financial liability.

9. Income Tax

An analysis of income tax expense charged to results of operations for the nine-month periods ended September 30, 2014 and 2013 is as follows:

	2014	2013

Current period income tax	**Ps. 39,767,701**	Ps. 37,008,056
Deferred income tax	**(2,474,038)**	(8,007,893)
Total	**Ps. 37,293,663**	Ps. 29,000,163

Other comprehensive Income

	2014	2013
Deferred tax related to items recognized in OCI during the year		
Effect of fair value of derivatives	**Ps. 6,260**	Ps. 6,542
Remeasurement of defined benefit plan	**(280,309)**	
Deferred tax charged to OCI	**Ps. (274,049)**	Ps. 6,542

An analysis of income tax expense the consolidated statements of comprehensive income for the three-month periods ended September 30, 2014 and 2013 is as follows:

	2014	2013
Current period income tax	**Ps. 14,730,489**	Ps. 12,312,003
Deferred income tax	**(629,285)**	(2,641,491)
Total	**Ps. 14,101,204**	Ps. 9,670,512

Other comprehensive Income

	2014	2013
Deferred tax related to items recognized in OCI during the year		
Effect of fair value of derivatives	**Ps. 8,154**	Ps. (4,492)
Remeasurement of defined benefit plan	**(280,309)**	
Deferred tax charged to OCI	**Ps. (272,155)**	Ps. (4,492)

The Company s effective tax rate was 45.8% and 33.4% for the nine months ended September 30, 2014 and 2013, respectively. Significant differences between the effective tax rate and the statutory tax rate for such interim periods relates to the loss on derecognition of equity method investment in equity investment and the loss on sale of shares of KPN during the period as these items are not tax deductible.

The Company s effective tax rate was 55.7% and 36.7% for the three months ended September 30, 2014 and 2013, respectively, primarily due to the expiration of tax credits and other non-deductible expenses.

10. Components of other comprehensive loss

An analysis of the changes in the components of the other comprehensive loss for the nine-month periods ended September 30, 2014 and 2013 is as follows:

	2014	2013
Valuation of the derivative financial instruments acquired for hedging purposes, net of deferred tax	**Ps. (327,651)**	Ps. (537,013)
Translation effect of foreign entities	**(12,837,814)**	(20,800,457)
Remeasurement of defined benefit plans, net of income tax effect	**(701,309)**	1,232,442
Total other comprehensive loss items for the period, net of deferred taxes	**Ps. (13,866,774)**	Ps. (20,105,028)

11. Financial Assets and Liabilities

Set out below is the categorization of the financial instruments, other than cash and cash equivalents, held by AMX as of September 30, 2014 and December 31, 2013:

	September 30, 2014		
	Loans and receivables	**Fair value through profit or loss**	**Fair value through OCI**
Financial Assets:			
Accounts receivable from subscribers, distributors, and other, net	**Ps. 114,206,109**	**Ps.**	**Ps.**
Related parties	**1,041,655**		
Derivative financial instruments		**16,796,723**	
Total	**Ps. 115,247,764**	**Ps. 16,796,723**	**Ps.**
Financial Liabilities:			
Debt	**Ps. 576,622,790**	**Ps.**	**Ps.**
Accounts payable	**160,861,188**		
Related parties	**1,389,375**		
Derivative financial instruments		**9,831,187**	**166,210**
Total	**Ps. 738,873,353**	**Ps. 9,831,187**	**Ps. 166,210**

	December 31, 2013		
	Loans and receivables	Fair value through profit or loss	Fair value through OCI
Financial Assets:			
Accounts receivable from subscribers, distributors, and other, net	Ps. 96,756,472	Ps.	Ps.
Related parties	1,346,392		
Derivative financial instruments		10,469,316	
Total	Ps. 98,102,864	Ps. 10,469,316	Ps.
Financial Liabilities:			
Debt	Ps. 490,319,844	Ps.	Ps.
Accounts payable	154,137,312		
Related parties	2,552,337		
Derivative financial instruments		5,179,024	187,299
Total	Ps. 647,009,493	Ps. 5,179,024	Ps. 187,299

Fair value hierarchy

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;

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).

The fair value for the financial assets (excluding cash and cash equivalents) and financial liabilities shown in the consolidated statement of financial position at September 30, 2014 and December 31, 2013 is as follows:

	Measurement of fair value at September 30, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
Derivative financial instruments		**Ps. 16,796,723**		**Ps. 16,796,723**
Pension plan assets	**Ps. 246,322,399**			**246,322,399**
Total	**Ps. 246,322,399**	**Ps. 16,796,723**	**Ps.**	**Ps. 263,119,122**
Liabilities:				
Debt	**Ps. 390,951,256**	**Ps. 212,511,258**	**Ps.**	**Ps. 603,462,514**
Derivative financial instruments		**9,997,397**		**9,997,397**

Total	**Ps. 390,951,256**	**Ps. 222,508,655**	**Ps.**	**Ps. 613,459,911**

	Measurement of fair value at December 31, 2013			
	Level 1	Level 2	Level 3	Total
Assets:				
Derivative financial instruments	Ps.	Ps. 10,469,316	Ps.	Ps. 10,469,316
Pension plan assets	230,393,171			230,393,171
Total	Ps. 230,393,171	Ps. 10,469,316	Ps.	Ps. 240,862,487
Liabilities:				
Debt	Ps. 319,838,222	Ps. 200,011,820	Ps.	Ps. 519,850,042
Derivative financial instruments		5,366,323		5,366,323
Total	Ps. 319,838,222	Ps. 205,378,143		Ps. 525,216,365

The carrying amount of accounts receivable, accounts payable and related parties approximate their fair value.

Fair value of derivative financial instruments are valued using valuation techniques with market observable inputs. To determine its Level 2 fair value, the Company applies valuation techniques including forward pricing and swaps models, using present value calculations. The models incorporate various inputs including credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. Fair value of debt Level 2 has been determined using a model based on present value calculation incorporating credit quality of AMX.

For the nine-month period ended September 30, 2014 and the year ended December 31, 2013, no transfers were made between Level 1 and Level 2 fair value measurement hierarchies.

12. Segments

América Móvil operates in different countries. The Company has operations in Mexico, Guatemala, Nicaragua, Ecuador, El Salvador, Costa Rica, Brazil, Argentina, Colombia, United States, Honduras, Chile, Peru, Paraguay, Uruguay, Dominican Republic, Puerto Rico, Panama, Austria, Bulgaria, Croatia, Belarus, Liechtenstein, Slovenia, Macedonia and Serbia.

The CEO, who is the Chief Operating Decision Maker (CODM), analyzes the financial and operating information by geographical segment, except for Mexico, which shows América Móvil (Corporate and Telcel) and Telmex as two segments. All significant operating segments that (i) represent more than 10% of consolidated revenues, (ii) more than the absolute amount of its reported 10% of profits or loss or (iii) more than 10% of consolidated assets, are presented separately.

The Company has aggregated operating segments into the following reporting segments for the purposes of its consolidated financial statements: (i) Mexico (includes Telcel and Corporate operations and Assets), Telmex, Brazil, Southern Cone (includes Argentina Chile, Paraguay and Uruguay), Colombia, Andean (includes Ecuador and Perú), Central- América (includes Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama), U.S.A. (excludes Puerto Rico), Caribbean (includes Dominican Republic and Puerto Rico), and Europe (includes Austria, Bulgaria, Croatia, Belarus, Liechtenstein Slovenia, Macedonia and Serbia).

The Company is of the view that the quantitative and qualitative aspects of the aggregated operating segments are similar in nature for all periods presented. In evaluating the appropriateness of aggregating operating segments, the key indicators considered included but were not limited to: (i) all entities provide telecommunications services, (ii) similarities of customer base, services, (iii) the methods to distribute services are the same, based on telephone plant in both cases, wireless and fixed lines, (iv) similarities of governments and regulatory entities that oversee the activities and services that telecom companies, (v) inflation trends and, (vi) currency trends.

	Brazil	**Southern Cone (2)**	**Colombia**	**Andean (3)**	**Central-América (4)**	**U.S.A. (5)**	**Caribbean (6)**	**Eur (**
71	**Ps. 153,271,904**	**Ps. 41,298,532**	**Ps. 56,524,740**	**Ps. 35,156,298**	**Ps. 19,589,491**	**Ps. 66,829,650**	**Ps. 19,075,281**	**Ps. 19,**
37	**30,961,033**	**4,952,267**	**7,174,681**	**4,033,585**	**6,264,782**	**335,742**	**3,642,942**	**3,**
55	**9,404,824**	**4,686,679**	**13,889,312**	**9,402,453**	**(296,388)**	**2,592,418**	**3,405,812**	**3,**
36	**3,990,486**	**2,137,724**	**532,153**	**831,758**	**145,983**	**112,488**	**346,865**	
97	**9,430,554**	**623,431**	**349,816**	**292,997**	**114,220**		**39,332**	
30	**275,898**	**2,130,590**	**4,325,337**	**3,237,306**	**849,081**	**1,035,777**	**532,917**	
41	**(52,875)**	**2,349**						
45	**(1,475,680)**	**(3,556,565)**	**7,650,996**	**5,962,779**	**(1,105,200)**	**1,811,397**	**2,733,180**	**2,**
02	**338,206,799**	**84,912,430**	**99,246,921**	**76,493,619**	**51,927,914**	**34,173,092**	**67,267,631**	**161,**
19	**195,388,355**	**67,162,215**	**33,873,054**	**23,754,907**	**23,566,309**	**29,520,426**	**25,122,070**	**126,**

	Brazil	Southern Cone (2)	Colombia	Andean (3)	Central-América (4)	U.S.A. (5)	Caribbean (6)	Eur (
72	148,624,432	45,624,345	54,622,389	33,224,312	17,775,201	57,062,179	19,018,145	
54	28,031,977	5,408,357	6,813,552	3,701,737	6,312,769	349,181	3,603,032	
49	8,167,092	4,824,768	16,346,528	9,127,021	(890,648)	995,463	3,248,551	

26	1,010,573	2,295,525	680,828	544,073	117,123	95,396	209,446
92	5,299,454	925,770	357,546	174,565	113,833	121	32,005
36	(999,687)	2,665,843	4,654,180	3,001,826	168,890	18,391	72,569
78)	(75)	7,527					(458)
38	(2,571,523)	1,676,498	9,968,616	6,759,588	(1,236,013)	1,212,422	2,713,158
44	306,466,659	98,411,851	106,359,154	68,144,249	52,028,386	27,109,181	67,310,963
09	176,771,139	63,755,618	30,426,338	18,990,795	25,132,380	24,282,092	29,323,273

(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, Costa Rica and Panama.
(5) Excludes Puerto Rico.
(6) Caribbean includes the Dominican Republic and Puerto Rico.
(7) Europe includes Austria, Bulgaria, Croatia, Belarus, Liechtenstein Slovenia, Macedonia and Serbia

	Brasil	Southern Cone (2)	Colombia	Andean (3)	Centro-America (4)	U.S.A. (5)	Caribbean (6)	Eur (7
5	Ps. 52,193,080	Ps. 13,975,587	Ps. 19,043,066	Ps. 11,861,444	Ps. 6,658,047	Ps. 22,624,917	Ps. 6,320,945	Ps. 19,
7	2,578,362	1,447,459	4,565,321	3,195,440	(85,287)	265,513	1,185,099	3,
1	10,743,763	1,608,399	2,452,320	1,346,650	2,159,461	112,645	1,222,766	3,
9	1,592,617	745,601	128,761	279,375	51,222	45,435	116,963	
0	3,659,803	182,897	118,123	112,399	44,122		13,813	
4	(2,177,514)	819,395	1,461,421	972,741	296,626	143,177	664,749	
2	(33,207)	9,408						
2	(3,734,765)	(3,399,280)	2,596,095	2,012,372	(342,268)	182,904	533,950	2,
2	338,206,799	84,912,430	99,246,921	76,493,619	51,927,914	34,173,092	67,267,631	145,
9	195,388,355	67,162,215	33,873,054	23,754,907	23,566,309	29,520,426	25,122,070	126,
4	47,979,933	15,509,118	18,425,266	11,428,462	6,155,498	19,299,932	6,428,470	
8	1,347,713	1,575,397	5,364,218	2,919,080	(314,474)	1,138,057	1,156,487	
0	9,622,290	1,824,000	2,279,694	1,241,126	2,186,307	118,281	1,225,584	
8	311,545	809,652	254,220	193,453	39,286	33,395	70,045	
3	2,005,782	314,666	118,871	63,980	35,469		10,851	

7	(512,324)	909,248	1,681,127	1,203,812	(66,004)	65,185	(216,264)
5)	(75)	16,807					
4	(942,593)	1,082,056	3,028,960	1,789,336	(424,312)	1,163,434	1,060,121
4	306,466,659	98,411,851	106,359,154	68,144,249	52,028,386	27,109,181	67,310,963
9	176,771,139	63,755,618	30,426,338	18,990,795	25,132,380	24,282,092	29,323,273

(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, Costa Rica and Panama.
(5) Excludes Puerto Rico.
(6) Caribbean includes the Dominican Republic and Puerto Rico.
(7) Europe includes Austria, Bulgaria, Croatia, Belarus, Liechtenstein Slovenia, Macedonia and Serbia

13. Subsequent Events

a) On October 16, 2014 finished the three months additional acceptance (sell-out) period, on which the shareholders were able to tender their shares to AMX under the Offer conditions. During this extended period, AMX acquired another 38.4 million shares of TKA, which equates to a shareholding of approximately 8.68%.

b) On January 9, 2015, the Federal Telecommunications Institute (*Instituto Federal de Telecomunicaciones,* or IFT) imposed a fine of Ps.14.4 million on Telmex for failing to disclose to the IFT, in November of 2008, what the IFT has called a merger (*concentración*) between Telmex and Dish México Holdings, S. de R.L. de C.V., and its related companies. AMX will exercise any and all legal remedies to challenge the IFT s resolution.

c) In January 2015, the Company (through its subsidiary Tracfone) and the Federal Trade Commission (FTC) finalized the terms of a stipulated order, related to the Company s prior practice of marketing data. The order included payment of US$40 million to the FTC to be deposited into a fund administered by the FTC or its designee to be used for consumer redress as a fixed payment amount, and for any expenses for the administration of the fund.

During the period ended September 30, 2014, the Company had recorded a provision of US$35.1 million for settlement of the FTC and class action law suits. The total amount of $45.1 million was included in Account Payable in the Balance Sheet as of December 31, 2014, and as Other expenses in the Statement of Operations for the year ended December 31, 2014.

d) On July 31, 2014, was approved by the Agencia National de Telecomucacoes - Anatel, corporate restructuring aims to consolidate the structures and activities of Claro, S.A., Embratel Participações S.A. (Embrapar), Empresa Brasileira de Telemunicações, S.A. (Embratel) and Net Serviços de Comunicação, S.A. (NET) of its subsidiaries, and of course, all indirectly controlled by America Movil in a single society. The implementation of this incorporation will involve, among other things, the incorporation of Embrapar, Embratel and NET by Claro. On December 17, 2014, the Board approved the merger of Embratel, Claro and NET into Claro. The effect of those mergers is January 1, 2015.

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: March 4, 2015

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