Management Discussion and Analysis

Overview

1Q13 Performance

Minor International Public Company Limited ("MINT") reported solid financial performance in the first quarter of 2013 from all three businesses. Consolidated revenues and net profit grew by 10% and 13% y-y, respectively. Restaurant services posted 12% revenue growth y-y due to the strong organic business operations, as well as the consolidation of Beijing Riverside & Courtyard ("Riverside") in China, which was acquired in the end of 2012. Hotel & mixed-use business showed a 6% revenue growth in 1Q13 compared to the same period last year, despite the permanent closure of Marriott Hua Hin Resort & Spa, a 219-room owned hotel, since 2Q12 upon the maturity of the leasehold agreement. Retail trading and contract manufacturing achieved the highest revenue growth of 22% in 1Q13 due partly to the improved retail trading operations and partly to the low-base comparison during the same period last year, as retail trading and contract manufacturing business was most affected by the flood in late 2011. Revenue growth of retail trading and contract manufacturing businesses, excluding the insurance claim Navasri manufacturing plant ("NMT") received in 1Q12 on the business interruption from the flood, was 30% y-y.

In 1Q13, hotel & mixed-use business contributed 50% of total revenue. Restaurant business accounted for 40% while retail trading and contract manufacturing contributed the remaining 10% in 1Q13.

Revenue Breakdown

Bt million	**1Q13**	**1Q12**	**%Chg**
Restaurant Services	3,878	3,451	12%
Hotel & Mixed-Use	4,794	4,527	6%
Retail Trading & Contract Manufacturing	965	789	22%
Total Revenue	**9,636**	**8,767**	**10%**

In 1Q13, MINT reported EBITDA of Bt 2,550m, a 14% growth over the same period last year. The increase was due to a combination of both improved operating leverage of owned hotels and restaurants as well as the growth in higher margin asset-light businesses; hotel management services and food franchising, and turnaround of the restaurant business in China. 1Q13 EBITDA from retail trading and contract manufacturing business showed a modest growth y-y as NMT received the insurance claim in 1Q12 on the business interruption from the flood, which took place in the end of 2011. Excluding the insurance claim, 1Q13 EBITDA from retail trading and contract manufacturing businesses increased by 88% y-y.

In 1Q13, hotel & mixed-use and restaurant businesses accounted for 68% and 28% of total EBITDA, respectively. Retail trading & contract manufacturing contributed the remaining 4% of total EBITDA.

EBITDA Breakdown

Bt million	**1Q13**	**1Q12**	**%Chg**
Restaurant Services	716	583	23%
Hotel & Mixed-Use	1,726	1,559	11%
Retail Trading & Contract Manufacturing	107	103	4%
Total EBITDA	**2,550**	**2,245**	**14%**
EBITDA Margin	**26%**	**26%**	

MINT reported net profit of Bt 1,409m in 1Q13, up 13% y-y in line with revenue growth. Excluding the insurance claim received in 1Q12, 1Q13 net profit increased by 19% y-y.

Net Profit

Bt million	**1Q13**	**1Q12**	**%Chg**
Total net profit	1,409	1,245*	13%
Net Profit Margin	**15%**	**14%***	

* Restated per the new accounting policy on current and deferred income taxes

Major Developments in 1Q13

	Developments
Restaurant	• Increased stake to 10% in Breadtalk, a publicly listed company in Singapore. Breadtalk is an operator of bakery, restaurants and food atriums in Asia and the Middle East • Fully consolidated Riverside in China, in which MINT holds 49% • Opened 25 outlets, net q-q, majority of which were Dairy Queen and The Coffee Club outlets
Hotel & Mixed-Use	• Completed the acquisition of a 96-key resort in Hoi An and a 63-key resort in Quy Nhon, Vietnam for a total investment of USD 16 million, bringing total number of managed and owned hotels in Vietnam to four properties stretching from the north to southeastern coast • Opened the second managed hotel in China, Anantara Xishuangbanna Resort & Spa in Yunnan Province. The resort comprises 80 deluxe guest rooms, as well as 23 luxurious one, two and three bedroom pool villas. It is well situated in Xishuangbanna, once the center of a kingdom that stretched into Myanmar, Thailand and Laos, hence, not only rich in natural reserve, but also rich in diversity of ethnic cultures • Transferred and recorded 1Q13 revenues for 2% of total sellable area of St. Regis Residences

Segment Performance

Restaurant Business

At the end of 1Q13, MINT's total restaurants reached 1,406 outlets, comprising 759 equity-owned outlets (54% of total), and 647 franchised outlets (46% of total). Of total, 928 outlets (66% of total) are in Thailand, while the remaining 478 outlets (34% of total) are in Australia, New Zealand, Singapore, China, India, Middle East, Maldives, Egypt and other countries in South East Asia. Thirty two outlets were opened in 1Q13, while seven outlets were closed. MINT closed three The Pizza Company outlets in China as part of its plan to improve the profitability of the business in China.

Restaurant Outlets by Owned Equity and Franchise

	1Q13	Chg q-q	Chg y-y
Owned Equity	759	-1	42
- Thailand	643	2	20
- Overseas	116	-3	22
Franchise	647	26	100
- Thailand	285	12	67
- Overseas	362	14	33
Total Outlets	**1,406**	**25**	**142**

Restaurant Outlets by Brand

	1Q13	Chg q-q	Chg y-y
The Pizza Company	293	1	8
Swensen's	285	4	19
Sizzler	45	0	1
Dairy Queen	317	8	54
Burger King	29	0	2
The Coffee Club	323	10	31
Ribs and Rumps	12	0	4
Thai Express	65	1	1
Riverside	22	1	22
Others*	15	0	0
Total Outlets	**1,406**	**25**	**142**

* Others include restaurants at the airport under MINT's 51% JV, Select Service Partner

Brand Performance Analysis

In 1Q13, all brands, except Ribs and Rumps, reported positive same-store-sales growth. Thailand's top two brands, The Pizza Company and Swensen's, achieved favourable comparable sales growth due primarily to the yet-again successful customers' favourite campaigns and menus; The Pizza Company's anniversary buy-one-get-one-free promotion and Swensen's mango paradise. Although these promotions are launched approximately the same time every year, the Company continues to report growth of same store sales y-y due to the continuous improvement in quality and creativity as well as strong visibility of marketing and public relations campaigns. Burger King was another brand that reported impressive same-store-sales growth y-y. The brand underwent store renovation which improved the dining ambience, in addition to the successful highlight of the premium-meat menu. Thai Express also exhibited significant improvement in same-store-sales from the new menu launches of two key brands; Xin Wang in 3Q12 and more recently Thai Express in 1Q13.

On the other hand, Ribs & Rumps experienced softer demand for its sizzling hot plates as the temperature in Australia reached the exceptional level of over 40 degrees Celsius in the beginning of the year. However, the weather has cooled down since the beginning of 2Q13, thus the Company expects sales of Ribs and Rumps to recover in subsequent quarters.

With the outlet expansion of 11% y-y, total-system-sales growth was 14.6% in 1Q13.

Restaurant Business Performance by Brand

Same-Store-Sales Growth (%)		
	1Q13	**1Q12**
The Pizza Company	3.9	7.4
Swensen's	9.6	15.7
Sizzler	2.5	5.5
Dairy Queen	0.2	32.2
Burger King	9.4	6.3
The Coffee Club	3.2	4.3
Ribs and Rumps	(6.6)	N/A
Thai Express	5.5	2.8
Average	**4.1**	**7.6**
Total-System-Sales Growth (%)		
	1Q13	**1Q12**
The Pizza Company	7.2	18.5
Swensen's	15.4	25.7
Sizzler	2.8	10.8
Dairy Queen	17.6	43.6
Burger King	12.7	7.6
The Coffee Club	10.6	13.5
Ribs and Rumps	12.5	N/A
Thai Express	9.3	6.7
Average	**14.6**	**16.2**

Note: Calculation based on local currency to exclude the impact of foreign exchange

Financial Performance Analysis

1Q13 total restaurant revenues grew by 12% y-y, mainly driven by the revenue from operations. Revenue from operations increased by 12% as a result of same-store-sales growth of 4.1%, together with equity-owned outlet expansion of 6% y-y. Franchise fee grew by 31%, primarily from the franchised outlet expansion of 18% y-y. As China business turned around with positive EBITDA in 1Q13, compared to negative EBITDA in 1Q12, EBITDA margin increased from 17% in 1Q12 to 18% this quarter.

Revenue Breakdown

Bt million	**1Q13**	**1Q12**	**%Chg**
Revenues from Operation*	3,747	3,351	12%
Franchise Fee	131	100	31%
Total Revenues	3,878	3,451	12%
EBITDA	**716**	**583**	**23%**
EBITDA Margin	**18%**	**17%**	

* Includes share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 1Q13, MINT owns 30 hotels and manages 54 hotels and serviced suites in twelve countries. Altogether, these properties have 10,606 hotel rooms and serviced suites, including 3,304 that are equity-owned and 7,302 that are purely-managed by the Company and its subsidiary, Oaks. Of the total, 3,087 rooms in Thailand accounted for 29%, while the remaining 7,519 rooms or 71% are located in Australia, New Zealand, Maldives, Indonesia, Sri Lanka, Vietnam, China, Tanzania, Kenya, Malaysia and the United Arabs Emirates.

Hotel Rooms by Owned Equity and Management

	1Q13	**Chg q-q**	**Chg y-y**
Equity-owned*	3,304	159	17
- Thailand	2,229	0	-142
- Overseas	1,075	159	159
Management	7,302	99	882
- Thailand	858	0	20
- Overseas	6,444	99	862
Total Hotel Rooms	**10,606**	**258**	**899**

* Equity owned includes all hotels which are majority-owned and joint ventures

Hotel Rooms by Brand

	1Q13	Chg q-q	Chg y-y
Anantara	2,784	103	429
Four Seasons	505	0	0
Marriott	563	0	-219
Oaks	5,291	-4	128
Avani	510	0	315
Others	953	159	246
Total Hotel Rooms	**10,606**	**258**	**899**

Hotel Brand Performance Analysis

On the surface, in 1Q13, Minor Hotel Group's average occupancy improved by 1% to 74%, while average daily rates (ADR) of the portfolio slightly declined by 2%, resulting in flat average revenues per available room (RevPar) y-y. This was primarily because of the addition of 6 managed hotels compared to the same period last year, where the lower statistics of newly launched hotels pulled down the overall hotel portfolio statistics, together with the strengthening of the Thai Baht over the year, which resulted in lower translation of rates of overseas hotels quoted in foreign currency into Thai Baht.

Nevertheless, the core operational performance appeared stronger than system-wide performance suggested. Owned hotels, which contributed 48% of total hotel and mixed use revenues in 1Q13, saw RevPar increase of 19%. This was a result of occupancy increase of 8%, together with ADR increase of 6%. All brands reported increase in occupancy and ADR. Stripping out the effect of new hotels and exchange rate, organic RevPar increased by 23% in 1Q13.

In 1Q13, Oaks' average occupancy slightly declined by 1% as demand from corporate clients was delayed from Australian summer. While Oaks' ADR remained flat in Australian dollar, the ADR translated into Thai Baht declined by 7% because of the appreciation of Thai Baht against Australian dollar. As a result, Oaks' RevPar declined by 7% y-y.

Portfolio of hotels under management contract reported decline in occupancy by 5% y-y, primarily from the 6 new managed hotels in 1Q13 compared to the same period last year. The new hotels, together with impact from foreign currency translation, resulted in slight ADR increase of 2%. As a result, RevPar of managed hotels declined by 5% y-y in 1Q13. Stripping out the effect of new hotels and exchange rate, organic RevPar increased by 6% y-y.

Hotel Business Performance by Ownership

	1Q13	1Q12
Occupancy (%)		
Owned Hotels	78	70
Joint Venture	56	53
Managed	60	65
MLR*	78	79
Average	**74**	**73**
ADR (Bt/night)		
Owned Hotels	7,275	6,851
Joint Venture	17,842	18,735
Managed	5,223	5,139
MLR*	4,898	5,244
Average	**5,936**	**6,039**
RevPar (Bt/night)		
Owned Hotels	5,692	4,776
Joint Venture	9,933	9,999
Managed	3,158	3,323
MLR*	3,825	4,119
Average	**4,368**	**4,417**

*Properties under Management Letting Rights in Australia and New Zealand

Hotel Business Performance by Brand

Occupancy (%)	1Q13	1Q12
Marriott	87	80
Anantara	67	65
Four Seasons	78	64
Oaks	78	79
Others	57	58
Average	**74**	**73**
MINT's Portfolio in Thailand	**78**	**68**
Industry Average in Thailand	**70**	**66**

	ADR (Bt/night) 1Q13	1Q12
Marriott	5,498	4,811
Anantara	7,607	7,738
Four Seasons	9,713	9,349
Oaks	4,821	5,244
Others	5,382	6,245
Average	**5,936**	**6,039**
MINT's Portfolio in Thailand	**5,646**	**5,332**
Industry Average in Thailand	**2,201**	**2,169**

	RevPar (Bt/night) 1Q13	1Q12
Marriott	4,787	3,854
Anantara	5,111	5,040
Four Seasons	7,579	5,969
Oaks	3,765	4,119
Others	3,084	3,615
Average	**4,368**	**4,417**

Source for Industry Average: Bank of Thailand

Hotel Performance Analysis

1Q13 revenues from hotel operations grew by 6% y-y mainly from the outstanding performances of owned hotels where RevPar increased by 19%, netted off with closure of Marriott Hua Hin Resort & Spa, a 219-room owned hotel, since 2Q12, together with decline in Oaks' RevPar by 7%. Despite managed hotels' system-wide RevPar increase of only 2%, 1Q13 management income increased significantly by 54% y-y due mainly to the addition of 869 rooms under management over the past 12 months and the initial fees for providing technical advisory services to newly signed management contracts.

Mixed-Use Business & Performance Analysis

MINT's spa business is operated under Anantara, Mandara and Elemis brands. At the end of 1Q13, MINT owns and manages 33 spas in Thailand, China, Maldives, Tanzania, Jordan, UAE, India, Egypt and Korea. In 1Q13, MINT reported a solid 9% increase in revenues from spa services to Bt 90m, in line with the improvement in the hotel operations.

Another mixed-use business of MINT is plaza and entertainment business. The company owns and operates three shopping plazas, namely; (1) Royal Garden Pattaya; (2) Turtle Village Shopping Plaza Phuket and (3) Royal Garden Plaza Bangkok. In addition, MINT is the operator of eight entertainment outlets, namely (1) Ripley's Believe It or Not Museum; (2) 4D Moving Theater; (3) Haunted Adventure; (4) Infinity Maze; (5) The Louis Tussaud's Waxworks; (6) surreal journey Scream in the Dark; and two new additions in 4Q12 (7) Ripley's Sky Rider; (8) Ripley's The Vault. Even though the rental space of Royal Garden Plaza Bangkok has been gradually reclaimed in preparation for renovation and the construction of the flagship Avani Bangkok since late 2012, increased revenues from the two remaining plazas in Pattaya and Phuket, together with revenues from entertainment business, compensated for the loss of revenues from Royal Garden Bangkok. As a result, 1Q13 revenues from plaza and entertainment businesses were maintained at Bt 149m.

MINT's real estate business develops and sells properties in conjunction with the development of some of its hotels. The first project is the Estates Samui, consisting of 14 villas, adjacent to MINT's Four Seasons Hotel in Samui. The second project is St. Regis Residences, with 53 residential units located above St. Regis Hotel Bangkok. Another real estate development operation launched in December 2010 is MINT's point-based vacation club under its own brand, Anantara Vacation Club. During 1Q13, Anantara Vacation Club added 8 purpose-built villas in Phuket and 3 units in Sanya to the inventory portfolio, bringing total inventory to 57 units in Samui, Phuket, Queenstown-New Zealand, Bangkok, Bali and Sanya-China. Strong sales growth of Anantara Vacation Club, together with other income, which comprise rental income and maintenance fees from the Estates Samui and St. Regis Residences, sales of Anantara Vacation Club's trial packages as well as cost adjustment from residential business, contributed to a 2% increase in revenues from real estate development in 1Q13 y-y.

Overall Hotel & Mixed-Use Financial Performance Analysis

All hotel and mixed-use businesses, except plaza & entertainment, reported healthy revenue growth in 1Q13. Hotel group's EBITDA outgrew the revenues from the enhanced operating leverage of hotel operations during the peak traveling season as well as improved profitability of hotel management and mixed-use businesses. As a result, hotel group's 1Q13 EBITDA expanded by 11% y-y and EBITDA margin increased to 36%.

Revenue Breakdown

Bt million	1Q13	1Q12	%Chg
Hotel operations*	3,561	3,372	6%
Management fee	156	101	54%
Spa services	90	83	9%
Plaza & entertainment	149	150	0%
Real estate development	837	821	2%
Total Revenues	4,794	4,527	6%
EBITDA	**1,726**	**1,559**	**11%**
EBITDA Margin	**36%**	**34%**	

* Includes share of profit and other income

Retail Trading and Contract Manufacturing Business

At the end of 1Q13, MINT had 240 retail trading points of sales. During 1Q13, the Company opened 5 new outlets under Esprit, Tumi and Charles & Keith brands. During the quarter, retail trading business reported 10.3% same-store-sales growth, driven mainly by Charles & Keith and GAP.

Of total 240 retail trading outlets at 1Q13, 87% are operated under fashion brands including Esprit, Bossini, GAP, Charles & Keith, Tumi and Pedro, while another 8% are operated under Red Earth.

Retail Trading's Outlet Breakdown

	1Q13	Chg q-q	Chg y-y
Fashion	209	7	19
Cosmetics	18	-2	-18
Others	13	0	-1
Total Outlets	**240**	**5**	**0**

In 1Q13, retail trading and contract manufacturing business reported strong revenue growth of 22%, compared to the same period last year. Excluding insurance claim from the flood received in 1Q12, revenues rose even more significantly by 30% y-y. Despite the closure of all outlets under Smashbox and Bloom cosmetics brands during 3Q12 – 4Q12, retail trading revenues increased by 21% in 1Q13 from the better performance of the higher contribution fashion business. Contract manufacturing business also saw a notable increase in revenues by 25% since NMT plant was fully operational in 1Q13 compared to partially operational in 1Q12 because of the flooding in 2011.

1Q13 EBITDA from retail trading and contract manufacturing business increased only slightly by 4% due primarily to the receipt of insurance claim in 1Q12. Excluding the insurance claim, EBITDA from retail trading and contract manufacturing businesses increased by 88% y-y and its EBITDA margin expanded from 8% in 1Q12 to 11% in 1Q13.

Retail Trading and Contract Manufacturing's Revenue Breakdown

Bt million	1Q13	1Q12	%Chg
Retail Trading	648	536	21%
Manufacturing	317	253	25%
Total Revenues	**965**	**789**	**22%**
EBITDA	**107**	**103**	**4%**
EBITDA Margin	**11%**	**13%**	

Balance Sheet & Cash Flows

At the end of 1Q13, MINT reported total assets of Bt 55,988m, an increase of Bt 4,011m from Bt 51,977m at the end of 2012. The increase was primarily the result of:

1. Bt 3,032m increase in cash and cash equivalent due mainly to the proceeds from ESOP and warrant exercise;
2. Bt 312m increase in available-for-sale investments primarily from the increased investment and change in fair value of investment in Breadtalk;
3. Bt 533m increase in property, plant and equipment, part of which is from the acquisition of two resorts in Vietnam and the adjustment in common facilities of St. Regis Residences;

4. Bt 138m increase in intangible assets due partly to the increased goodwill from the acquisition of resorts in Vietnam.

MINT reported total liabilities of Bt 32,319m at the end of 1Q13, a decrease of Bt 331m from Bt 32,650m at the end of 2012. The decrease was due mainly to the strengthening of Thai Baht against foreign currency, resulting in a decline of Bt 305m in foreign-denominated loan.

Shareholders' equity increased by Bt 4,344m from Bt 19,327m in 1Q12 to Bt 23,669m at the end of 1Q13 owing mainly to net profit of Bt 1,409m and the exercise of rights-offering and ESOP warrants of Bt 3,010m.

For the 3 months of 2013, MINT and its subsidiaries reported cash flows from operations of Bt 1,304m, a decrease of Bt 63m y-y. Cash flow paid for investing activities was Bt 1,153m, due primarily to (1) the acquisitions of two hotels in Vietnam of Bt 436m (2) increased investment in Breadtalk of Bt 191m and (3) normal capital expenditures of hotel, restaurant and other businesses of Bt 544m. The Company reported net cash received from financing activities of Bt 2,942m, comprising primarily of net proceeds from the exercise of ESOP and warrants of Bt 3,010m netted off with repayment of short-term loan of Bt 126m. As a result, MINT's net cash and cash equivalents increased by Bt 3,093m in 1Q13.

Financial Ratio Analysis

MINT's gross profit margin increased to 59.3% in 1Q13 compared to 57.9% in 1Q12 from the improved gross profit margins of all groups, in particular Anantara Vacation Club as the business is gaining higher operating leverage. Net profit margin increased to 14.6% in 1Q13 compared to 13.5% in 1Q12, excluding insurance claim.

Return on equity decreased to 26.2% in 1Q13 from 31.9% in 1Q12. Correspondingly, return on assets was down from 11.9% in 1Q12 to 10.4% in 1Q13. The decrease of return on equity was a result of significantly increased shareholders' equity from the exercise of ESOP and warrants while the decrease in return on assets was a result of increased cash from the exercise of ESOP and warrants.

Collection days increased significantly from 20 days in 1Q12 to 31 days in 1Q13, due primarily to the increased receivables from instalment sales of Anantara Vacation Club. Inventory days decreased from 49 days in 1Q12 to 46 days in 1Q13 due to the effective inventory management of restaurant business. Accounts payable days increased from 39 days in 1Q12 to 41 days in 1Q13 due mainly to the increased accounts payable from NMT plant y-y, which resumed only partial operation in 1Q12 versus full operation in 1Q13.

Current ratio increased to 1.5x in 1Q13 from 1.2x at the end of 1Q12 due mainly to the increase in cash and cash equivalents. Increased shareholders' equity from the exercise of ESOP and warrants also led to the decrease in net interest bearing debt/ equity to 0.7x in 1Q13. Interest coverage ratio increased slightly to 6.7x in 1Q13 from 6.6x in 1Q12.

Financial Ratio Analysis

Profitability Ratio (3 months)	**31-Mar-13**	**31-Mar-12**
Gross Profit Margin (%)	59.28	57.87
Net Profit Margin (%)	14.62	14.20
Return on Equity* (%)	26.22	31.93
Efficiency Ratio	**31-Mar-13**	**31-Mar-12**
Return on Assets* (%)	10.44	11.90
Collection Period* (days)	31	20
Inventory Days*	46	49
Accounts Payable Days*	41	39
Liquidity Ratio	**31-Mar-13**	**31-Dec-12**
Current Ratio (x)	1.47	1.15
Leverage & Financial Policy	**31-Mar-13**	**31-Dec-12**
Interest Bearing Debt/Equity (x)	1.01	1.25
Net Interest Bearing Debt/Equity (x)	0.72	1.06
	31-Mar-13	**31-Mar-12**
Interest Coverage (x) (3 months)	6.72	6.64

Note: *Annualized

Management's Outlook

MINT's first-quarter performance laid a strong foundation for the entire 2013. In addition to strong organic performance, the two acquisitions in late 2012 and 1Q13; i.e. restaurant chain in China and two hotels in Vietnam, contributed immediate earnings and strengthened overseas operations. MINT has a solid business expansion plan for all three business units throughout 2013 as follows;

Hotel & Mixed Use

According to the current signed pipeline, new hotels to be launched in the remaining of 2013 are as follows;

Planned Hotel Expansion in 2013	
Name and Location	**No. of Rooms**
Owned	
Masai Mara Camp, Kenya	16
Amboseli Camp, Kenya	16
Managed	
Anantara Palm Jumeirah, UAE	293
Anantara Al Yamm, UAE	30
Anantara Al Sahael, UAE	30
Anantara E-Mei, China	150
Oaks Sanya, China	120
Oaks Liwa, UAE	54
Oaks William St., Australia	220

In April 2013, Minor Hotel Group closed two hotels for major renovation; Anantara Veli Resort & Spa in the Maldives and Anantara Bophut Samui Resort & Spa in Thailand. The renovation is expected to be completed within approximately 6 months and both hotels will resume their full operations by the peak season in 4Q13. The Company believes that the renovation will significantly uplift the facilities and allow for improvement of guest services, hence resulting in the ability to maintain its competitiveness, charge higher room rates and command higher occupancies.

In addition to the refurbishment of existing Anantara hotels, Minor Hotel Group is also developing the flagship Avani Resort & Spa in Bangkok. The 227-room luxurious hotel will be located on the bank of the Chao Phraya River, adjacent to the landmark Anantara Bangkok Riverside Resort & Spa and the renovated shopping plaza. MINT targets to introduce the First Avani hotel in Thailand in 2015.

Anantara Vacation Club is also laying a solid ground to maintain growth momentum. In addition to the sales offices in Bangkok, Phuket, Samui, Hong Kong and Bali, it is establishing additional sales offices in Singapore and China. These sales offices are expected to facilitate sales activities in Anantara Vacation Club's key markets; Singapore, China and Hong Kong, while accommodating on-site sales at the luxurious units in Phuket, Samui, Bangkok, Sanya and Bali.

For real estates business, the Company still sees demand for both St. Regis Residences Bangkok and The Estates Samui. As at the end of 1Q13, sales of several units have been confirmed with the buyers but the actual ownership transfer of these units will be in second and third quarters of 2013. In the meantime, design of Anantara Estates, Phuket is underway, with the mock-up units expected to be ready by early 2014.

Restaurant

From the success of Anantara hotels and Swensen's restaurants in the Maldives, the Company aims to further strengthen footprint in the country by bringing in other strong food brands, i.e. The Coffee Club, Thai Express and Burger King. Given the concentration of local Maldivian together with the constant increase in international tourist arrival, the Company believes that the expansion will be another stepping stone for successful overseas expansion going forward.

In addition to the target outlet expansion of 8% - 10% per annum, restaurant group also plans to further enhance the operations of both owned and franchised restaurants through various back-office initiatives, e.g. building supplier network and new distribution center. This will help ensure all supply is delivered to all restaurants in full with quality and on time, leading to the increase in not only top-line sales but also cost efficiency for all restaurants in Thailand.

Retail Trading & Contract Manufacturing

Retail trading, especially fashion brands, yielded impressive result in 1Q13. The Company will continue to drive the expansion of stores in upcountry together with the effective merchandize management. Moreover, contract manufacturing business is increasing the variety of manufactured products to attract new customers while effectively manage its costs.

In summary, MINT has proved to be a performance-driven organization over time. Its long-term vision is to maintain the leading position not only in market share and financial strength, but also in other aspects such as human capital and operational excellence. All of the Company's stakeholders, e.g. employees, creditors, franchisees, business partners, shared the same vision, thus resulting in the passionate drive towards becoming the leading hospitality and restaurant operator and lifestyle brand retailer in the region.

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Ms. Trithip Sivakriskul
Corporate Chief Financial Officer