November 13, 2014 **Minor International Public Company Limited**

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

3Q14 and 9M14 Performance

Minor International Public Company Limited ("MINT") reported y-y net profit growth of 6% in 3Q14 and 9% in 9M14 despite the sluggish macro backdrop in Thailand which was principally influenced by political events throughout the first nine month of 2014, together with the renovations of some of the owned hotels in the portfolio. Such growth was attributable to MINT's international expansion and diversification strategy over the past few years.

During the third quarter of 2014, revenues from restaurant services exhibited the highest growth of 8% y-y, primarily from the strong organic business operations of Thailand and Australia hubs, together with disciplined outlet expansion and increased franchised fee. Hotel & mixed-use business showed a 4% revenue growth in 3Q14 from the same period last year, from the strong performance of overseas hotel operations, continued improvement of Thailand provincial hotels, together with hotel management business.

In 3Q14, restaurant business contributed 43% of total revenues. Hotel & mixed-use business accounted for 48% of total revenues, while retail trading and contract manufacturing businesses contributed the remaining 9%.

Revenue Breakdown

Bt million	**3Q14**	**3Q13**	**%Chg**
Restaurant Services	4,024	3,742	8%
Hotel & Mixed-Use	4,505	4,312	4%
Retail Trading & Contract Manufacturing	889	900	-1%
Total Revenue	**9,418**	**8,954**	**5%**

In 9M14, MINT reported total revenue growth of 9% y-y with solid improvement of both restaurant and hotel & mixed-use business units. In terms of revenue breakdown in 9M14, restaurant and hotel & mixed-use businesses accounted for 43% and 48% of total revenues, respectively. Retail trading and contract manufacturing contributed another 9%.

Revenue Breakdown

Bt million	**9M14**	**9M13**	**%Chg**
Restaurant Services	12,561	11,346	11%
Hotel & Mixed-Use	13,911	12,796	9%
Retail Trading & Contract Manufacturing	2,700	2,701	0%
Total Revenue	**29,172**	**26,842**	**9%**

MINT's 3Q14 EBITDA grew by 8% y-y, with stable EBITDA margin of 19%. Hotel & mixed-use business saw healthy EBITDA growth of 17% y-y in 3Q14 because of improved hotel and Oaks operations, together with addition of new hotels, while retail trading business's EBITDA increased by 7% y-y. Restaurant business, on the other hand, reported a decline in EBITDA by 4% y-y, primarily because of lower profitability of Singapore hub as a result of macro economic deceleration and intense competition in casual dining scene.

In 3Q14, restaurant and hotel & mixed-use businesses accounted for 34% and 62% of total EBITDA, respectively. Retail trading & contract manufacturing contributed the remaining 4% of total EBITDA.

EBITDA Breakdown

Bt million	**3Q14**	**3Q13**	**%Chg**
Restaurant Services	622	648	-4%
Hotel & Mixed-Use	1,130	967	17%
Retail Trading & Contract Manufacturing	82	76	7%
Total EBITDA	**1,834**	**1,691**	**8%**
EBITDA Margin	**19%**	**19%**	

In 9M14, MINT reported EBITDA of Bt 6,076m, an 8% growth over the same period last year. The increase in EBITDA was mainly a result of better performance of overseas and upcountry hotels, hotel management services, together with the continued expansion of restaurant business, all of which more than offset the lower operating leverage from the contract manufacturing business.

Hotel & mixed-use business represented 62% of total EBITDA in 9M14, while restaurant business accounted for 34%. Retail trading and contract manufacturing business accounted for the remaining 4%.

EBITDA Breakdown

Bt million	9M14	9M13	%Chg
Restaurant Services	2,055	1,998	3%
Hotel & Mixed-Use	3,782	3,359	13%
Retail Trading & Contract Manufacturing	238	248	-4%
Total EBITDA	**6,076**	**5,605**	**8%**
EBITDA Margin	**21%**	**21%**	

MINT reported net profit growth of 6% y-y in 3Q14, in line with the growth of revenues and EBITDA. 3Q14 net profit margin was stable at 8%, compared to the same period last year. Similarly, MINT's 9M14 net profit grew by 9% y-y and 9M14 net profit margin slightly increased to 10%.

Net Profit

Bt million	3Q14	3Q13	%Chg
Total net profit	746	707	6%
Net Profit Margin	**8%**	**8%**	
	9M14	**9M13**	**%Chg**
Total net profit	2,783	2,545	9%
Net Profit Margin	**10%**	**9%**	

Major Developments in 3Q14

	Developments
Restaurant	• Opened 56 outlets, net q-q, including 31 of VGC Food Group outlets • Acquired VGC Food Group outlets under brands The Groove Train and Coffee Hit in Australia through Australia hub • Opened the first Coffee Club restaurant in Bali • Introduced new food concepts, "SIFU Hong Kong Master Ribs" and "Basil by Thai Express" under Minor Food Group Singapore • Launched a new Chinese concept "Hai Quin Xiao Ping" in Turtle Village, Phuket • Entered into a 50% partnership with the BreadTalk Group to operate bakery business under the BreadTalk brand in Thailand • Opened 'Thai Cuisine Academy' in collaboration with S&P Syndicate Pcl
Hotel & Mixed-Use	• Invested in 49% stake in a hotel and mixed-use development project, comprising Radisson Blu Hotel, residential tower and office tower in Maputo, the capital city of Mozambique • Entered into a strategic partnership with Sun International to own and operate eight hotels in Botswana, Lesotho, Namibia, Swaziland and Zambia. The transaction is expected to be closed in 4Q14 • Partially closed Anantara Riverside Bangkok, Anantara Hua Hin and AVANI Quy Nhon for renovation • Oaks launched a new property under MLR, Rivermarque in Mackay, Australia • Transferred and recorded one villa of The Estate Samui Residence • Added thirteen villas in Phuket to Anantara Vacation Club's inventory portfolio
Corporate	• Repaid debenture in the amount of Bt 2,060m in September 2014 • MINT was included in the Dow Jones Sustainability Emerging Markets Index (DJSI) in the consumer services sector

Segment Performance

Restaurant Business

At the end of 3Q14, MINT's total restaurants reached 1,648 outlets, comprising 832 equity-owned outlets (50% of total), and 816 franchised outlets (50% of total). 1,050 outlets (64% of total) are in Thailand, while the remaining 598 outlets (36% of total) are in Australia, New Zealand, Singapore, China, India, Middle East, Maldives, Egypt and other countries in South East Asia. Fifty-nine outlets were opened in 3Q14, while three outlets were closed. The acquisition of VGC Food Group in Australia through the Australian hub added 31 outlets to MINT's restaurant portfolio.

VGC Food Group comprises Veneziano Coffee Roasters, and two brands under the names the Groove Train and Coffee Hit. Veneziano is an award-winning, leading specialty roasting house supplying over 500 tons of freshly roasted coffee annually. The Groove Train is a casual dining franchise system offering quality food and beverage in a 'funky / modern' atmosphere while Coffee Hit is a specialty coffee franchise system offering an enhanced retail coffee experience to customers via beverage and whole-bean trade.

Restaurant Outlets by Owned Equity and Franchise

	3Q14	Chg q-q	Chg y-y
Owned Equity	832	12	56
- Thailand	690	9	42
- Overseas	142	3	14
Franchise	816	44	128
- Thailand	360	5	44
- Overseas	456	39	84
Total Outlets	**1,648**	**56**	**184**

Restaurant Outlets by Brand

	3Q14	Chg q-q	Chg y-y
The Pizza Company	320	5	28
Swensen's	304	-1	15
Sizzler	52	0	5
Dairy Queen	382	4	39
Burger King	40	3	6
The Coffee Club	399	39	63
Ribs and Rumps	13	0	0
Thai Express	84	1	13
Riverside	35	3	11
Others*	19	2	4
Total Outlets	**1,648**	**56**	**184**

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

Brand Performance Analysis

Total-system-sales (including sales from franchised outlets) increased by 13.9% y-y in 3Q14, driven by same-store-sales growth of 1.2% from the continued positive momentum of Thailand hub and the stable performance of Australia hub, together with the outlet expansion of 13% y-y.

In 3Q14, Thailand hub showed the strongest same-store-sales growth of 3.8%, from MINT's marketing efforts to maintain the leading position in the industry, together with the recovery of domestic consumption spurred by improving sentiment and confidence from the newfound political stability and signs of stabilization of the economy, especially in the first two months of the third quarter. As a result, most of the brands in Thailand showed continued positive same-store-sales growth in 3Q14. With continued outlet expansion, Thailand hub saw strong total-system-sales growth of 15.7% in 3Q14.

China hub reported the strongest 3Q14 total-system-sales growth of 19.0%, primarily attributable to the expansion of Riverside outlets. Same-store-sales growth was negative in 3Q14, from the rapid expansion of Riverside outlets especially in Shanghai since MINT's acquisition in 2012.

Australia hub continued to report stable operations, with 3Q14 same-store-sales growth of 2.7% and total-system-sales growth of 15.2% y-y. The recent addition of Veneziano, the Grove Train and Coffee Hit brands will further propel the growth of Australian hub going forward.

In Singapore, the casual dining restaurant market was put under pressure by the deceleration in domestic economy, the decline in international visitor arrivals to Singapore especially Chinese tourist, together with constant change in consumer taste which resulted from intense competition of new food concepts. As a result, Singapore hub reported negative same-store-sales growth and total-system-sales growth in 3Q14. In order to respond to the current market pressures and to ultimately increase customer count and overall sales, Minor Food Group Singapore continued to create new food concepts for the key brands - Thai Express and Xin Wang, selectively expand outlets in Singapore, consolidate the non-core brands and leverage on the expertise from Thailand head office.

9M14 same-store-sales growth was flat y-y, where positive same-store-sales growth in 2Q14 and 3Q14 helped offset the negative same-store-sales growth resulting from the industry-wide decline in domestic consumption in 1Q14. 9M14 total–system-sales continued to grow by 11.9% y-y.

Restaurant Business Performance

%	3Q14	3Q13	9M14	9M13
Average Same-Store-Sales Growth	1.2	0.0	0.2	1.7
Average Total-System-Sales Growth	13.9	13.2	11.9	13.6

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

Financial Performance Analysis

3Q14 total restaurant revenues grew by 8% y-y, driven by both revenues from operation and franchise fee. Revenues from operation increased by 7% as a result of strong organic performance, together with disciplined outlet expansion. Franchise fee grew by 24% y-y as a result of continued growth of franchising business, especially Swensen's in Thailand and The Pizza Company for the international franchising business. 3Q14 EBITDA decreased by 4% y-y, mainly attributed to the negative same-store-sales growth in Singapore, which put pressure on margin of the Singapore hub. Consequently, EBITDA margin decreased from 17% in 3Q13 to 15% in 3Q14.

9M14 total restaurant revenues grew by 11% y-y from the continued expansion of the equity outlets and growth of the franchise business. 9M14 restaurant EBITDA increased by 3%, slower than the increase in revenues from lower operating leverage when same-store-sales dipped alongside industry-wide slowdown in domestic consumption – Thailand in 1Q14 and Singapore in 3Q14. As a result, EBITDA margin was 16% in 9M14 compared to 18% in 9M13.

MINT expects the improving economic backdrop from the government's stimulus policies to propel its Thai same-store-sales growth to a more normalized level in 4Q14 and in 2015. This, coupled with disciplined outlet expansion, should result in stronger total revenue growth and afford MINT the benefit of higher operating leverage in quarters to come.

Revenue Breakdown

Bt million	3Q14	3Q13	%Chg
Revenues from Operation*	3,887	3,631	7%
Franchise Fee	137	111	24%
Total Revenues	4,024	3,742	8%
EBITDA	**622**	**648**	**-4%**
EBITDA Margin	**15%**	**17%**	
	9M14	**9M13**	**%Chg**
Revenues from Operation*	12,129	10,982	10%
Franchise Fee	432	363	19%
Total Revenues	12,561	11,346	11%
EBITDA	**2,055**	**1,998**	**3%**
EBITDA Margin	**16%**	**18%**	

* Includes share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 3Q14, MINT owns 47 hotels and manages 72 hotels and serviced suites in nineteen countries. Altogether, these properties have 14,833 hotel rooms and serviced suites, including 5,384 that are equity-owned and 9,449 that are purely-managed by MINT's own brands including Anantara, AVANI, Oaks, Per AQUUM and Elewana. Of the total, 3,728 rooms in Thailand accounted for 25%, while the remaining 11,105 rooms or 75% are located in Australia, New Zealand, Maldives, China, Indonesia, Sri Lanka, Vietnam, Malaysia, Cambodia, Tanzania, Kenya, Mozambique, Botswana, Namibia, Zambia, Lesotho, Swaziland and the United Arabs Emirates.

Hotel Rooms by Owned Equity and Management

	3Q14	Chg q-q	Chg y-y
Equity-owned*	5,384	1,515	1,983
- Thailand	2,229	0	0
- Overseas	3,155	1,515	1,983
Management	9,449	139	927
- Thailand	1,499	0	73
- Overseas	7,950	139	854
Total Hotel Rooms	**14,833**	**1,654**	**2,910**

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

Hotel Rooms by Ownership

	3Q14	Chg q-q	Chg y-y
Owned Hotels	3,122	369	473
Joint Venture	2,262	1,146	1,510
Managed	3,404	0	458
MLR*	6,045	139	469
Total Hotel Rooms	**14,833**	**1,654**	**2,910**

* Properties under Management Letting Rights in Australia and New Zealand

Hotel Portfolio Performance Analysis

Thanks to its diversified hotel portfolio, in 3Q14, MINT's system-wide revenues per available room ("RevPar") was flat y-y, compared to Thailand industry's RevPar which decreased by 15% y-y. The decline in RevPar of Thai hotels was fully offset by the increase in RevPar of overseas hotels. Although average RevPar of Thai hotels, to a much larger extent Bangkok hotels, saw negative growth in 3Q14, the worst month in the quarter was July, when Thai hotels felt the lingering impact from the declaration of the martial law and the coup in late May 2014. However, the portfolio has seen gradual improvement every month in the quarter, with RevPar growth of Thailand provincial hotels turning positive in the month of September. MINT's overseas hotels (excluding Oaks) witnessed the strongest performance with average RevPar surging by 14%, mainly from hotels in UAE, Indonesia and the Maldives.

Owned-hotels portfolio, which accounted for 38% of hotel and mixed-use revenues in 3Q14, reported y-y RevPar decrease of 11% in 3Q14. In addition to the impact from Thailand's politics as mentioned earlier, Anantara Bangkok Riverside, Anantara Hua Hin and AVANI Quy Nhon also underwent renovation in the quarter. MINT decided to turn the slowdown of Thai tourism sector into an opportunity to refresh its assets so that it can reap full benefit and stay ahead of competition when operating environment rebounds in the quarters to come. While the occupancy in 3Q14 declined by 11% y-y, primarily from Bangkok hotels, ADR continued to increase by 6% y-y. The hotels which saw ADR increase of over 10% in 3Q14 were Anantara Bangkok Riverside, Anantara Golden Triangle, Anantara Hoi An and AVANI Quy Nhon in Vietnam. Similar to overall portfolio, owned hotels also saw improving trend of RevPar growth every month throughout 3Q14.

Oaks, contributing 31% of 3Q14 hotel and mixed-use revenues, reported strong and stable performance. While ADR remained stable, occupancy slightly increased by 1% y-y, resulting in RevPar increase of 1% y-y in 3Q14. During 3Q14, Oaks further expanded in Australia by opening Oaks Rivermarque with 70 apartments in Queensland.

Revenue contribution of management contract to MINT's hotel and mixed-use revenue slightly increased from 3% in 3Q13 to 4% in 3Q14. System-wide RevPar of management contract portfolio declined by 6% y-y in 3Q14 primarily from the decline in RevPar of Bangkok hotels, the new hotels that are still in their initial stage, together with stronger improvement of hotels that have RevPar that are lower than the average RevPar of the portfolio, namely Anantara Qasr Al Sarab, Anantara Eastern Mangroves, Anantara Sanya and Anantara Xishuangbanna. Also note that unlike 1Q14 and 2Q14, where system-wide RevPar of managed hotels increased by over 30% y-y because of the addition of Per AQUUM hotels which MINT acquired the brand in 3Q13, 3Q14 RevPar growth is at a more normalized level with Per AQUUM hotels included in both 3Q13 and 3Q14 portfolio.

By the same token, system-wide RevPar in 9M14 increased by 4% y-y, thanks to the overseas as well as non-Bangkok Thai hotels which helped offset the impact from domestic political events. Excluding hotels in Bangkok, the y-y increase in 9M14 RevPar was 12%, with RevPar of hotels outside Thailand, the majority of which are Anantara hotels, increasing by 39% y-y. The increase was attributable to higher occupancies and ADR's, both in existing properties and new openings. Hotels in Bangkok, Thailand provinces and overseas all saw the monthly RevPar growth trend improving throughout the third quarter.

Hotel Business Performance by Ownership

(System-wide)	Occupancy (%)			
	3Q14	3Q13	9M14	9M13
Owned Hotels	55	66	57	68
Joint Venture	56	49	54	52
Managed	52	55	53	55
MLR*	79	79	76	77
Average	**66**	**69**	**64**	**69**
MINT's Portfolio in Thailand	**54**	**68**	**54**	**69**
Industry Average in Thailand**	**52**	**63**	**N/A**	**N/A**

(System-wide)	ADR (Bt/night)			
	3Q14	3Q13	9M14	9M13
Owned Hotels	5,717	5,388	6,937	6,185
Joint Venture	11,781	11,633	17,318	14,129
Managed	5,459	5,483	6,588	5,072
MLR*	4,651	4,644	4,776	4,724
Average	**5,321**	**5,105**	**6,048**	**5,358**
MINT's Portfolio in Thailand	**4,339**	**4,465**	**4,935**	**4,920**
Industry Average in Thailand**	**1,736**	**1,688**	**N/A**	**N/A**

(System-wide)	RevPar (Bt/night)			
	3Q14	3Q13	9M14	9M13
Owned Hotels	3,159	3,553	3,926	4,228
Joint Venture	6,639	5,743	9,426	7,414
Managed	2,824	3,011	3,472	2,802
MLR*	3,692	3,654	3,617	3,659
Average	**3,486**	**3,537**	**3,886**	**3,720**
MINT's Portfolio in Thailand	**2,346**	**3,015**	**2,670**	**3,411**
Industry Average in Thailand**	**895**	**1,057**	**N/A**	**N/A**

*Properties under Management Letting Rights in Australia and New Zealand
**Source for Industry Average: Bank of Thailand

Hotel Performance Analysis

In 3Q14, revenue of hotel and related services operations, which included revenue from owned hotels, Oaks and spa services, increased by 14% y-y, primarily attributable to the improvement of both owned hotels and Oaks. For owned hotels, the increase was mainly from the outstanding performance of overseas hotels and organic growth of Thailand provincial hotels, together with revenues from new hotels y-y; i.e. Anantara Phuket Layan and Anantara Angkor, and the reopening of Anantara Bophut Samui and Anantara Veli in the Maldives after temporary closure for renovation in 2013. Oaks also saw 3Q14 revenue growth y-y, primarily from the addition of number of rooms by 8% y-y.

3Q14 management income increased significantly by 73% due to the remarkable performance of managed hotels in the Maldives and United Arab Emirates, the ramping up of relatively new hotels in China, Indonesia and Mozambique, together with the addition of new hotels, which resulted in an increase in number of rooms by 16% y-y.

By the same token, 9M14 revenue from hotel and related services operations grew by 9% y-y, due to the improved performance of both owned hotels and Oaks. Owned hotels saw strong operations both in the provinces of Thailand and overseas, together with the addition of hotel rooms y-y from both new hotels and reopening of the two hotels after the temporary closure for renovation as mentioned earlier. Oaks also reported revenue growth, primarily from the addition of number of rooms throughout the first nine months of the year. Management income increased significantly by 149% y-y from the outstanding performance of managed hotels in the Maldives, United Arab Emirates, China, Indonesia and Mozambique, together with the addition of new hotel rooms.

Mixed-Use Business & Performance Analysis

One of MINT's mixed-use businesses 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. Since April 2013, Royal Garden Plaza Bangkok has been temporarily closed for renovation, together with the construction of the flagship AVANI Hotel and convention center in 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; (7) Ripley's Sky Rider; and (8) Ripley's The Vault. Despite the loss of revenues from the temporary closure of Royal Garden Plaza Bangkok, revenues from plaza and entertainment business increased by 2% y-y to Bt 136m in 3Q14 and 3% y-y to Bt 434 m in 9M14.

The other mixed-use business that is the bigger contribution to MINT's hospitality business is the real estate business, which comprises residential development and vacation club. MINT's residential development 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. To date, 11 villas of the Estates Samui and 92% of the sellable area of St. Regis Residences have been sold, of which one villa of the Estates Samui was recorded in 3Q14. Next project in the pipeline is The Residences by Anantara, Phuket, which will be launched in the fourth quarter of this year. In October 2014, MINT, together with Natural Park Pcl, announced a 50 / 50 joint venture to develop its first luxury resort-style 44-units condominium project in the city center of Chiang Mai, Anantara Chiang Mai Serviced Suites. The project is expected to be completed in 2016. Additional residential development projects are being considered to ensure continuous pipeline of MINT's real estate business.

Another real estate business of MINT is the point-based vacation club under its own brand, Anantara Vacation Club. During 3Q14, Anantara Vacation Club added 13 purpose-built villas in Phuket to the inventory portfolio, bringing total inventory to 119 units in Samui, Phuket, Queenstown-New Zealand, Bangkok, Bali and Sanya-China. Although Anantara Vacation Club reported y-y sales decline in 3Q14 because of the temporary renovation of the biggest sales gallery in Phuket together with the low season in third quarter, 9M14 revenue grew by 19% from the strong performance of the 1H14. Nevertheless, Anantara Vacation Club's number of customers increased by 46% y-y to 4,973 members at the end of 3Q14. With lower recognition of residential sales in 2014, revenues from real estates development declined by 26% y-y in 3Q14 and 11% y-y in 9M14.

Overall Hotel & Mixed-Use Financial Performance Analysis

Total hotel and mixed-use revenues increased by 4% y-y in 3Q14, primarily from the hotel operations. EBITDA increased by a larger extent of 17% y-y, mainly from the significantly improved operating leverage especially of overseas owned hotels and high profitability of hotel management business. As a result, EBITDA margin increased from 22% in 3Q13 to 25% to 3Q14.

For 9M14, total hotel and mixed-use revenues increased by 9% and its EBITDA increased by a higher rate of 13% y-y due to similar reasons mentioned earlier. 9M13 EBITDA margin increased slightly from 26% in 9M13 to 27% in 9M14.

MINT expects the hospitality business to witness stronger performance in the coming high-season 4Q14 and 1Q15, with the continued momentum from owned hotels, managed hotels and expansion plans.

Revenue Breakdown

Bt million	**3Q14**	**3Q13**	**%Chg**
Hotel & related services*	3,336	2,929	14%
Management fee	195	113	73%
Plaza & entertainment	136	134	2%
Real estate development	838	1,136	-26%
Total Revenues	4,505	4,312	4%
EBITDA	**1,130**	**967**	**17%**
EBITDA Margin	**25%**	**22%**	
	9M14	**9M13**	**%Chg**
Hotel & related services*	10,170	9,297	9%
Management fee	879	353	149%
Plaza & entertainment	434	423	3%
Real estate development	2,427	2,723	-11%
Total Revenues	13,911	12,796	9%
EBITDA	**3,782**	**3,359**	**13%**
EBITDA Margin	**27%**	**26%**	

* Includes share of profit and other income; from 2Q14 onwards, revenue from spa services has been reclassified as part of revenue from hotel operations. The figures are retrospective in 2Q13 and 1H13.

Retail Trading and Contract Manufacturing Business

At the end of 3Q14, MINT had 288 retail trading points of sales, an increase of 32 points of sales from 256 at the end of 3Q13. Majority of new openings was fashion outlets. Of total 288 retail trading outlets, 86% are operated under fashion brands including Esprit, Bossini, GAP, Charles & Keith, Tumi and Pedro, 8% are operated under Red Earth and another 6% are operated under Henckels.

Retail Trading's Outlet Breakdown

	3Q14	**Chg q-q**	**Chg y-y**
Fashion	248	6	27
Cosmetics	22	1	2
Others	18	0	3
Total Outlets	**288**	**7**	**32**

In 3Q14, total retail trading and contract manufacturing revenues declined by 1% y-y because of the decrease in revenues from contract manufacturing business, as a result of delayed production and orders from key customers. Retail trading business, which is the higher margin business, saw revenue increase of 3% y-y in 3Q14. From the higher profitability, the effective cost control and the control of discounts and promotions of retail trading business, 3Q14 EBITDA of retail trading and contract manufacturing businesses increased by 7% y-y with the expansion of EBITDA margin from 8% in 3Q13 to 9% in 3Q14.

9M14 revenues from retail trading and contract manufacturing business was stable y-y, while 9M14 EBITDA decreased by 4%, compared to the same period of last year. The revenue growth, together with the profitability of the retail trading and contract manufacturing business were put under pressure by the adverse impact of national politics, which took its toll on domestic discretionary spending that resulted from decline in tourist arrivals and high household debt especially in the first half of the year. As a result, EBITDA margin was stable at 9% in 9M14. The outlook of the sector is expected to improve in tandem with the economic recovery and rebound in tourist arrivals.

Retail Trading and Contract Manufacturing's Revenue Breakdown

Bt million	**3Q14**	**3Q13**	**%Chg**
Retail Trading	608	591	3%
Manufacturing	281	309	-9%
Total Revenues	**889**	**900**	**-1%**
EBITDA	**82**	**76**	**7%**
EBITDA Margin	**9%**	**8%**	
	9M14	**9M13**	**%Chg**
Retail Trading	1,862	1,799	4%
Manufacturing	837	901	-7%
Total Revenues	**2,700**	**2,701**	**0%**
EBITDA	**238**	**248**	**-4%**
EBITDA Margin	**9%**	**9%**	

Balance Sheet & Cash Flows

At the end of 3Q14, MINT reported total assets of Bt 64,994m, an increase of Bt 4,870m from Bt 60,124m at the end of 2013. The increase was primarily the result of:

1. Bt 748m increase in trade receivables long-term contracts from the increased sale of Anantara Vacation Club;
2. Bt 1,357m increase in investments in associates and joint ventures from recognition of share of profit from existing associates and joint ventures, together with new investments in hotel and mixed-use projects in Mozambique with Rani Investment and Breadtalk Thailand;
3. Bt 1,855m increase in long-term loans to related companies for the expansion of hotel and mixed-use business in Africa;
4. Bt 1,498m increase in property, plant and equipment, part of which is from the construction of AVANI Bangkok, Anantara Phuket Layan, Oaks' properties and the increase in Anantara Vacation Club's inventories, together with expansion of restaurant outlets.

MINT reported total liabilities of Bt 36,594m at the end of 3Q14, an increase of Bt 3,345m from Bt 33,249m at the end of 2013. The increase was due mainly to the issuance of 5-year debenture of Bt 4,500m and increasing in short-term borrowings from financial institutions of Bt 1,385m, netted off with debenture repayment of Bt 2,060m.

Shareholders' equity increased by Bt 1,525m to Bt 28,399m at the end of 3Q14 from Bt 26,875m at the end of 2013, owing mainly to 9M14 net profit of Bt 2,783m, netted off with dividend payment of Bt 1,406m.

For the first 9 months of 2014, MINT and its subsidiaries reported cash flows from operations of Bt 2,521m, a decrease of Bt 755m y-y. Cash flow paid for investing activities was Bt 6,491m, due primarily to capital expenditure of hotel, restaurant and other businesses of Bt 3,845m, cash paid as long-term loans to related companies of Bt 1,873m for the expansion of hotel and mixed-use business in Africa and cash invested in investments in subsidiaries, associates and joint ventures both in hotel and food businesses of Bt 828m.

MINT reported net cash received from financing activities of Bt 3,303m, comprising primarily of net proceeds from the issuance of 5-year debenture of Bt 4,500m, net cash receipts from short-term borrowings from financial institutions of Bt 1,583m and net cash receipts from long-term borrowings from financial institutions of Bt 706m, netted off with debenture repayment of Bt 2,060m and dividend payment of Bt 1,406m. As a result, MINT's net cash and cash equivalents decreased by Bt 667m in 9M14.

Financial Ratio Analysis

MINT's gross profit margin decreased to 56.2% in 9M14 compared to 57.6% in 9M13, primarily from the hotel & mixed-use business. In addition to the lower operating leverage from Bangkok hotels because of the political events and macroeconomic pressures, hotel business also recorded higher depreciation, which is part of the hotel cost of goods sold, of new hotels and Oaks' owned units. Net profit margin was stable at 9.5% in 9M14.

Annualized return on equity decreased to 13.4% in 9M14 from 15.5% in 9M13 as a result of the significant increase in shareholders' equity from the exercise of warrants and ESOP since May 2013. Annualized return on assets declined to 5.9% in 9M14 from 6.3% in 9M13 because of the increased investments and property, plant, and equipment over the past year to support the Company's expansion.

Collection days increased significantly from 37 days in 9M13 to 56 days in 9M14, due primarily to the increased receivables from instalment sales of Anantara Vacation Club. The provision for impairment as a percentage of gross trade receivables decreased from 7.5% in 9M13 to 6.3% in 9M14, as hotel business wrote off some provision of doubtful debt to bad debt expense. MINT's inventory comprises primarily raw materials, work-in-process and finished products of the restaurant, retail trading and contract manufacturing businesses, while hotel business has lower level of inventory because of the nature of its business. Inventory days slightly increased from 47 days in 9M13 to 48 days in 9M14 due mainly to slower turnover of retail trading business as a result of lower discretionary spending by local customers, together with the tighter control of discounts and promotional campaigns. Accounts payable days slightly increased from 42 days in 9M13 to 43 days in 9M14.

Current ratio declined to 0.8x at the end of 3Q14 compared to 1.0x at the end of 2013 because of a decrease in cash and land and real estates project for sales, together with an increase in short-term borrowings from financial institutions to fund MINT's expansions. Net interest bearing debt to equity increased from 0.7x at the end of 2013 to 0.9x at the end of 3Q14 from the increase in short-term and long-term borrowings from financial institutions and long-term debentures in the first nine months of 2014. Interest coverage ratio decreased to 4.3x in 9M14 from 5.8x in 9M13 because of the lower cash flow from operations in 9M14.

Financial Ratio Analysis		
Profitability Ratio (9 months)	**30 Sep 14**	**30 Sep 13**
Gross Profit Margin (%)	56.21%	57.61%
Net Profit Margin (%)	9.54%	9.48%
Efficiency Ratio (Annualized)	**30 Sep 14**	**30 Sep 13**
Return on Equity (%)	13.43%	15.50%
Return on Assets (%)	5.93%	6.31%
Collection Period (days)	56	37
Inventory Days	48	47
Accounts Payable Days	43	42
Liquidity Ratio	**30 Sep 14**	**31 Dec 13**
Current Ratio (x)	0.84	0.95
Leverage & Financial Policy	**30 Sep 14**	**31 Dec 13**
Interest Bearing Debt/Equity (x)	0.98	0.87
Net Interest Bearing Debt/Equity (x)	0.88	0.74
	30 Sep 14	**30 Sep 13**
Interest Coverage (x) (9 months)	4.28	5.76

Management's Outlook

MINT remains confident in the outlook of the fourth quarter high-season and 2015, considering potential rebound in tourist arrivals and domestic consumption that may arise from Thailand's mellowing political climate and materialization of government policies.

Better Outlook for 4Q14

MINT expects the coming fourth quarter to be one of the strong quarters in 2014 on better operations of its core hospitality and restaurant businesses. While international business will continue to perform well, the domestic business is expected to see a more visible turnaround, especially for the hospitality business.

Traditionally, fourth quarter is the high season of the tourism industry for many of the destinations that MINT operates, including Thailand and the Maldives. MINT expects its hospitality operations to continue to benefit from such seasonality impact. In addition, Thai hotels are on their way to recovery, with monthly y-y improvements in 3Q14, where Thailand provincial hotel portfolio is already seeing positive RevPar growth in September 2014. According to the newly released 2014 MasterCard Global Destination Cities Index, Bangkok remains the Asia-Pacific's top destination city for air travel, and is the world's second top destination city. Moreover, the current government has preliminarily announced new initiatives to rebuild international tourists' confidence and boost the country's tourism industry, including development of mass transportation in key tourist attractions, active marketing activities to promote the country, improvement of service standards, visa-free exemption for Chinese and Taiwanese, reformation of immigration process and enhancement of tourist safety. According to the Department of Tourism, total international tourist arrivals to Thailand were up 6% y-y to 2.18 million in October 2014, and the growth momentum is anticipated to be sustainable both m-m and y-y for the remaining months of the year. Consequently, the Department retained its projection of 25 million international tourist arrivals to Thailand in 2014. With such improvement of macro backdrop, together with MINT's continued efforts, there is a better outlook for the hospitality business in 4Q14.

Thailand's consumer confidence index started to see improving trend since June 2014, with the consumer sentiment steadily picking up after the relatively more stable political environment of the new government. In addition, the government announced the intention to issue new stimulus policies with the objective of wealth distribution, which are expected to help boost the overall domestic consumption. With the continued improvement in consumer confidence index in October 2014, MINT also expects the restaurant business to continue to report strong performance in the coming fourth quarter. MINT will continue to implement pro-active marketing and promotional efforts and disciplined outlet expansion to ensure its sustainable growth in the future.

Positive Momentum for 2015

MINT is confident that 2015 will be another record year, with healthy revenue and profit growth, profitability expansion and ultimately increase in returns to shareholders. MINT will continue to deliver solid performance of its existing operations, while the new development and initiatives over the past few year will become more meaningful contribution. Furthermore, Thailand's political and economic environment is expected to be more normalized, with recovery of the tourism industry and domestic consumption underway. Many key industry indicators indicate positive trends in 2015. For example, BOT projected GDP growth in 2015 to be 4.8%, while Tourism Authority of Thailand (TAT) forecasted 30 million international tourist arrivals in 2015.

Continued Expansion and Diversified Business to Propel Future Growth

Regardless of economic slowdown and political instabilities in some of the countries that MINT operates in, MINT remains focused on strengthening its fundamental business in each hub and expanding its business presence in various businesses and countries in order to diversify and propel sustainable growth; for example,

- Partnered with BreadTalk Group in Singapore to operate BreadTalk's bakery business in Thailand. This investment adds a new brand, BreadTalk, to Minor Food Group's ever growing Thailand hub;
- Acquired VGC Food Group in Australia through Australia hub. VGC Food Group operates Veneziano Roasters (a wholesale coffee roaster), Groove Train (a casual dining restaurant brand) and Coffee Hit (a café concept). The acquisition results in the restaurant business's Australia hub being a more dynamic and diversified operation with greater opportunities for growth. This

includes the possibility of future vertical integration of Veneziano Roasters to supply coffee to The Coffee Club, more varieties of food concept available for further franchising opportunities, and synergistic benefits from centralized shared service and economies of scale among many food brands;

- Strengthened Africa hub of the hotel and mixed-use business through additional investments in Mozambique, Botswana, Lesotho, Namibia, Swaziland and Zambia. The investments allow MINT to expand its footprint in the southern and western parts of Africa and will compliment with the current hotel business under Elewana brand. Africa is expected to become a more significant contribution to MINT in the future;
- Formed a joint venture company with Natural Park Pcl. to develop a luxury resort-style condominium, "Anantara Chiang Mai Serviced Suites", located next to Anantara Chiang Mai Resort & Spa. This joint venture is to reap the benefit of the clustering concept and strengthen the 'Anantara' brand even further. The project is expected to be completed in 2016.

As MINT looks ahead to 2015 and beyond, it remains well positioned to be one of the leading regional hospitality players and casual dining restaurant operators. MINT is committed to deliver strong results year after year on the back of solid business fundamentals, brand strength, operational excellence, strong management team and employees, robust expansion plan, together with improved industry-wide environment.

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Ms. Trithip Sivakriskul
Corporate Chief Financial Officer