August 13, 2015

Minor International Public Company Limited

Management Discussion and Analysis

Overview
2Q15 and 1H15 Performance

Minor International Public Company Limited ("MINT") reported y-y revenue growth of 12% in 1H15 and 9% in 2Q15 y-y, while net profit increased by 32% in 1H15 and decreased by 12% in 2Q15 y-y. Excluding net bargain purchase gain of Bt 650m from business acquisition of Sun International hotels booked in 1Q15 and gain of Bt 69m from changing status of investment in Serendib Hotels PLC from available-for-sale to investment in associate recorded in 2Q14, core profit exhibited y-y growth of 4% in 1H15 and a modest decline of merely 1% y-y in 2Q15. The performance was mainly attributable to improved underlying performance of hospitality business, while the restaurant business was put under pressure by the industry-wide consumption slowdown.

In 2Q15, hotel & mixed-use business posted the highest revenue growth of 18% y-y due to the solid performance of hotels in Thailand, particularly Bangkok hotels after being put under pressure by political events in 1H14, the continued good performance of hotels in the provinces, together with hotel management business and Anantara Vacation Club. Restaurant services showed 2Q15 revenue growth of 3% y-y, from disciplined outlet expansion and increased franchised fee.

In 2Q15, restaurant business contributed 44% of total revenue. Hotel & mixed-use business accounted for 48% of total revenue while retail trading and contract manufacturing contributed the remaining 8%.

Revenue Breakdown

Bt million	**2Q15**	**2Q14**	**%Chg**
Restaurant Services	4,337	4,230	3%
Hotel & Mixed-Use	4,806	4,083	18%
Retail Trading & Contract Manufacturing	813	810	0%
Total Revenue	**9,956**	**9,123**	**9%**

In 1H15, MINT reported total revenues of Bt 22,120m, an increase of 12% from the same period last year. The growth was attributable to strong performance of hotel & mixed-use and restaurant business units, together with the net bargain purchase gain from the acquisition of Sun International hotels. Excluding the gains in 1Q15 and 2Q14, total revenues increased by 9% y-y in 1H15.

In terms of revenue breakdown in 1H15, restaurant and hotel & mixed-use businesses accounted for 40% and 52% of total revenues, respectively. Retail trading and contract manufacturing contributed another 8%.

Revenue Breakdown

Bt million	**1H15**	**1H14**	**%Chg**
Restaurant Services	8,912	8,537	4%
Hotel & Mixed-Use	11,472	9,405	22%
Retail Trading & Contract Manufacturing	1,736	1,811	-4%
Total Revenue	**22,120**	**19,753**	**12%**

MINT reported EBITDA of Bt 1,645m in 2Q15, stable compared to the same period last year. Excluding gain on the reclassification of investment in Serendib in 2Q14, MINT's 2Q15 core EBITDA grew by 4% y-y, with stable EBITDA margin of 17%. While hotel & mixed-use and retail trading & contract manufacturing businesses saw EBITDA growth of 2% and 16% respectively, restaurant business reported a decline in EBITDA by 7% y-y. The decline was a result of the fragile economic conditions and industry-wide consumption slowdown in Thailand, together with the ongoing major overhaul of core outlets in Singapore hubs.

In 2Q15, restaurant and hotel & mixed-use businesses accounted for 41% and 55% of total EBITDA respectively. Retail trading & contract manufacturing contributed the remaining 4% of total EBITDA.

MINOR INTERNATIONAL

EBITDA Breakdown			
Bt million	**2Q15**	**2Q14**	**%Chg**
Restaurant Services	678	725	-7%
Hotel & Mixed-Use	910	892	2%
Retail Trading & Contract Manufacturing	58	50	16%
Total EBITDA	**1,645**	**1,667**	**-1%**
EBITDA Margin	**17%**	**18%**	

In 1H15, MINT reported EBITDA of Bt 4,982m, a 17% growth over the same period last year. Excluding extra gains in 1Q15 and 2Q14, MINT's 1H15 core EBITDA increased by 4% y-y. The increase in EBITDA was a result of continued improved performance of Thailand hotels and Anantara Vacation Club, and an effective cost control of the restaurant business in 1Q15.

Hotel & mixed-use business represented 67% of total EBITDA in 1H15, while restaurant business accounted for 30%. Retail trading and contract manufacturing business accounted for the remaining 3%.

EBITDA Breakdown			
Bt million	**1H15**	**1H14**	**%Chg**
Restaurant Services	1,515	1,433	6%
Hotel & Mixed-Use	3,311	2,653	25%
Retail Trading & Contract Manufacturing	156	156	0%
Total EBITDA	**4,982**	**4,242**	**17%**
EBITDA Margin	**23%**	**21%**	

MINT reported net profit of Bt 541m in 2Q15, down 12% y-y. Excluding gain on the reclassification of investment in Serendib in 2Q14, MINT showed a modest net profit decline of 1% y-y, primarily as a result of the slowdown of the food business in Thailand and Singapore hubs, although it was largely offset by the robust performance of the hospitality business. For 1H15, MINT's net profit grew by 32% y-y. Excluding extra gains in 1Q15 and 2Q14, 1H15 net profit increased by 4% y-y, with net profit margin remaining stable at 10%.

Net Profit			
Bt million	**2Q15**	**2Q14**	**%Chg**
Total net profit	541	617	-12%
Net Profit Margin	**5%**	**7%**	
	1H15	**1H14**	**%Chg**
Total net profit	2,698	2,037	32%
Net Profit Margin	**12%**	**10%**	

Major Developments in 2Q15

	Developments
Restaurant	• Opened 20 outlets, net q-q, majority of which were Dairy Queen in Thailand and Thai Express in Thailand and Vietnam
Hotel & Mixed-Use	• Added 10 units of Anantara Vacation Club's inventory in Phuket
Corporate	• Successfully issued 5-year bond in the amount of Bt 4,000m and 10-year bond in the amount of Bt 4,000m on May 18, 2015. The proceeds are used for debt repayment and future expansion.

Segment Performance

Restaurant Business

At the end of 2Q15, MINT's total restaurants reached 1,747 outlets, comprising 881 equity-owned outlets (50% of total), and 866 franchised outlets (50% of total). 1,110 outlets (64% of total) are in Thailand, while the remaining 637 outlets (36% of total) are in Australia, New Zealand, Singapore, China, India, Middle East, Maldives, Egypt and other countries in South East Asia. Twenty-six outlets were opened in 2Q15, while six outlets were closed.

Restaurant Outlets by Owned Equity and Franchise			
	2Q15	**Chg q-q**	**Chg y-y**
Owned Equity	881	15	61
- Thailand	716	9	35
- Overseas	165	6	26
Franchise	866	5	94
- Thailand	394	5	39
- Overseas	472	0	55
Total Outlets	**1,747**	**20**	**155**

Restaurant Outlets by Brand

	2Q15	Chg q-q	Chg y-y
The Pizza Company	337	2	22
Swensen's	307	-3	2
Sizzler	51	-1	-1
Dairy Queen	393	9	15
Burger King	46	3	9
The Coffee Club	420	1	60
Ribs and Rumps	13	-1	0
Thai Express	87	4	4
Riverside	47	3	15
Breadtalk	19	0	19
Others*	27	3	10
Total Outlets	**1,747**	**20**	**155**

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

Hub Performance Analysis

In 2Q15, total-system-sales (including sales from franchised outlets) increased by 11.1% y-y, due primarily to store expansion of 10% y-y. Same-store-sales decreased slightly by 1.6%, as a result of an industry-wide consumption slowdown both in Thailand and overseas markets.

In 2Q15, Thailand hub reported total-system-sales growth of 7.7%, while same-store-sales growth was flat y-y. Burger King and Dairy Queen showed impressive same-store-sales growth, chiefly attributable to higher customer traffic, which grew almost 30% y-y. Dairy Queen successfully launched the premium green tea soft serve ice cream, while Burger King continued to be successful with its strategy to tap domestic market. On the other hand, MINT's key brands including The Pizza Company and Swensen's underperformed generally because of Thailand's economic slowdown

China hub continued to report impressive total-system-sales growth of 24.7% in 2Q15, due to rapid outlet expansion of the Riverside brand. Furthermore, same-store-sales growth showed notable improvement, supported by an increase in in-store traffic of Riverside outlets. China hub continues to focus on active outlet expansion and cost management to improve its performance.

The economic environment and competitive landscape remains challenging in Singapore. The macro slowdown, together with MINT's decision to close down unprofitable outlets and to renovate key ThaiExpress outlets resulted in the decline in same-store-sales and total-system-sales in 2Q15. The revamp of ThaiExpress brand will enhance customers' overall dining experience and drive store traffic. The project is expected to complete later this year.

Australia hub had robust 2Q15 total-system-sales growth of 19%, thanks to the organic expansion of The Coffee Club, as well as the addition of VGC Food Group brands since 3Q14. The hub's same-store-sales growth remained stable in 2Q15 compared to 2Q14 despite challenging domestic market conditions facing the restaurant sector.

Overall, 1H15 total-system-sales increased by 12.2%, thanks to the disciplined outlet expansion in major markets, primarily in Thailand, Australia and China. Sluggish recoveries of economies and continued slowdown in consumer spending in operating markets put pressure on the performance of MINT's restaurant business. As a result, 1H15 same-store-sales growth was flat.

Restaurant Business Performance by Brand

%	2Q15	2Q14	1H15	1H14
Average Same-Store-Sales Growth	(1.6)	1.5	(0.5)	(0.2)
Average Total-System-Sales Growth	11.1	12.4	12.2	10.8

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

Financial Performance Analysis

2Q15 total restaurant revenues grew by 3% y-y, driven by both revenues from operation and franchise income. Revenues from operation increased by 2% as a result of disciplined outlet expansion. Franchise income grew by 5% y-y, chiefly attributable to the ongoing strong momentum of the Dairy Queen franchise business in Thailand. 2Q15 EBITDA declined by 7% due to lower operating leverage of Singapore hub, as a result of the temporarily closure of the major outlets for renovation, together with Thailand hub whose margin was under pressure from flat same-store-sales growth in 2Q15. As a result, EBITDA margin dropped slightly to 16% in 2Q15 from 17% in 2Q14.

1H15 total restaurant revenues increased by 4% y-y from the continued expansion of both owned and franchised outlets. 1H15 restaurant EBITDA increased by 6%, slightly higher than the increase in revenues, primarily from the higher operating leverage in 1Q15 of Thailand hub. EBITDA margin remained stable at 17% in 1H15 and 1H14 amidst the slowdown of Singapore hub.

Revenue Breakdown

Bt million	2Q15	2Q14	%Chg
Revenues from Operation*	4,177	4,078	2%
Franchise Fee	160	152	5%
Total Revenues	4,337	4,230	3%
EBITDA	**678**	**725**	**-7%**
EBITDA Margin	**16%**	**17%**	
	1H15	**1H14**	**%Chg**
Revenues from Operation*	8,598	8,242	4%
Franchise Fee	314	295	7%
Total Revenues	8,912	8,537	4%
EBITDA	**1,515**	**1,433**	**6%**
EBITDA Margin	**17%**	**17%**	

* Includes share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 2Q15, MINT owns 56 hotels and manages 77 hotels and serviced suites in twenty two countries. Altogether, these properties have 16,774 hotel rooms and serviced suites, including 6,839 that are equity-owned and 9,935 that are purely-managed under the Company's brands including Anantara, AVANI, Oaks, PER AQUUM, Tivoli and Elewana. Of the total, 3,728 rooms in Thailand accounted for 22%, while the remaining 13,046 rooms or 78% are located in Australia, New Zealand, Maldives, China, Indonesia, Sri Lanka, Vietnam, Malaysia, Cambodia, Tanzania, Kenya, Mozambique, Botswana, Namibia, Zambia, Lesotho, Qatar, Seychelles, Brazil, Portugal and the United Arab Emirates.

Hotel Rooms by Owned Equity and Management

	2Q15	Chg q-q	Chg y-y
Equity-owned*	6,839	0	2,970
- Thailand	2,229	0	0
- Overseas	4,610	0	2,970
Management	9,935	-98	625
- Thailand	1,499	0	0
- Overseas	8,436	-98	625
Total Hotel Rooms	**16,774**	**-98**	**3,595**

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

Hotel Rooms by Ownership

	2Q15	Chg q-q	Chg y-y
Owned Hotels	4,807	0	2,054
Joint Venture	2,032	0	916
Managed	3,703	0	299
MLR*	6,232	-98	326
Total Hotel Rooms	**16,774**	**-98**	**3,595**

* Properties under Management Letting Rights in Australia and New Zealand

Hotel Performance Analysis by Ownership

Owned-hotels portfolio, which accounted for 52% of hotel & mixed-use revenues in 2Q15, reported y-y organic revenues per available room ("RevPar") increase of 19% in 2Q15, primarily from the outstanding performance of Thailand portfolio, where hotels under Anantara brand saw RevPar increase of 36%. The increase was mainly a result of Bangkok hotels which reported steep performance recovery following the adverse political events in 2014, with RevPar of owned hotels in Bangkok rising impressively by 65% y-y in 2Q15, rebounding to the level significantly higher than pre-political events level seen a few years ago. While the organic RevPar of provincial owned hotels continued to improve, organic RevPar of overseas owned hotels declined slightly by 4% y-y, primarily because of Anantara Kihavah in the Maldives from the drop in Russian tourists, together with the outstanding performance of lower-than-average RevPar hotels, including Anantara Hoi An and AVANI Quy Ngon in Vietnam. Nevertheless, the increase of Thailand portfolio's RevPar was more than enough to offset the decline in RevPar of overseas owned hotels. 2Q15 system-wide RevPar of MINT's owned hotels grew by 10% y-y, which was smaller than organic growth as there is a change of hotel mix with new hotel additions, such as Tivoli Sao

Paulo, AVANI Gabarone and AVANI Windhoek, which commanded lower RevPar than the average RevPar of MINT's owned hotels portfolio.

Oaks, contributing 24% of 2Q15 hotel & mixed-use revenues, reported stable RevPar in Australian dollar term, with high occupancy rate of 73% and stable ADR of AUD 158. Because of the exchange rate translation, Oaks' 2Q15 RevPar declined by 16% y-y in Thai Baht term.

Revenue contribution of management contract to MINT's hotel & mixed-use revenue was 5% in 2Q15. System-wide RevPar of management contract portfolio increased by 15% y-y in 2Q15, led by hotels in Thailand and China.

In summary, in 2Q15, MINT's overall system-wide RevPar decreased by 4% y-y primarily from weaker performance of Oaks in terms of Thai Baht, soft performance of Maldives hotels from the decline in Russian tourists, and the addition of new hotels which have lower RevPar than MINT's existing hotels. Excluding Oaks and new hotels, MINT's organic RevPar increased by 8% y-y in 2Q15.

By the same token, system-wide RevPar in 1H15 decreased by 4% y-y. Stripping out Oaks and new hotels, RevPar rose by 7%, thanks to Thai hotels which helped offset the slowdown of overseas hotels.

Hotel Business Performance by Ownership

(System-wide)	Occupancy (%)			
	2Q15	**2Q14**	**1H15**	**1H14**
Owned Hotels	62	51	67	57
Joint Venture	52	51	50	53
Managed	61	50	63	53
MLR*	73	72	74	74
Average	**65**	**60**	**67**	**64**
MINT's Portfolio in Thailand	**69**	**48**	**73**	**54**
Industry Average in Thailand**	**59**	**47**	**N/A**	**N/A**

(System-wide)	ADR (Bt/night)			
	2Q15	**2Q14**	**1H15**	**1H14**
Owned Hotels	5,709	6,301	6,711	7,557
Joint Venture	8,636	17,428	10,206	21,387
Managed	6,356	6,719	6,906	7,150
MLR*	3,923	4,727	4,117	4,847
Average	**5,245**	**5,884**	**5,817**	**6,446**
MINT's Portfolio in Thailand	**4,120**	**4,594**	**4,886**	**5,252**
Industry Average in Thailand**	**1,805**	**1,735**	**N/A**	**N/A**

(System-wide)	RevPar (Bt/night)			
	2Q15	**2Q14**	**1H15**	**1H14**
Owned Hotels	3,521	3,199	4,499	4,332
Joint Venture	4,460	8,964	5,092	11,356
Managed	3,849	3,356	4,373	3,805
MLR*	2,844	3,388	3,041	3,578
Average	**3,409**	**3,546**	**3,916**	**4,100**
MINT's Portfolio in Thailand	**2,846**	**2,183**	**3,564**	**2,843**
Industry Average in Thailand**	**1,056**	**820**	**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 2Q15, revenue of hotel and related services operation, which included revenue from owned hotels, Oaks and spa services, increased by 26% y-y. Excluding the one-time gain from fair value adjustment of investment in Serendib in 2Q14, core revenues from hotel and related services operations increased by 29% y-y in 2Q15, mainly from the outstanding performance of owned hotels in Thailand, system-wide RevPar of which increased by 27% y-y amidst the temporary closure of Anantara Siam Bangkok and Anantara Hua Hin for a renovation.

2Q15 management income increased significantly by 59% due mainly to the ramping up of performance of new managed hotels, together with the addition of hotels under management, which resulted in an increase in number of rooms by 9% y-y.

By the same token, 1H15 core revenue from hotel and related services operations grew by 22% y-y (excluding extra gains in 1Q15 and 2Q14), due to the strong operations of owned hotels in Thailand. However, management income decreased by 28% y-y to a more normalized level as 1Q14 included exceptionally strong contribution from a VIP guest in the Maldives.

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 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. Revenues from plaza and entertainment business increased by 1% y-y to Bt 151m in 2Q15, but declined by 4% y-y to Bt 286m in 1H15 from the softening performance of the Royal Garden Pattaya in 1Q15, which was affected by the weakening of the Russians.

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 all units of St. Regis Residences have been sold. Next project is The Residences by Anantara, Layan, Phuket, of which four units are now completed and available for sale. The sales activities of these units have started since the third quarter of this year. In addition, Anantara Chiang Mai Serviced Suites, a 50% joint-venture project with Natural Park Pcl., 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. At the end of 2Q15, Anantara Vacation Club had a total of 129 units in Samui, Phuket, Queenstown-New Zealand, Bangkok, Bali and Sanya-China, an increase of 10 villas in Phuket during 2Q15. Anantara Vacation Club reported sales growth of 2% in 2Q15 and 9% in 1H15 from increase in number of customers by 34% y-y to 6,223 members at the end of 2Q15.

Revenue from real estate development decreased by 15% y-y in 2Q15 from the absence of sale of residential development in this quarter. On the other hand, revenue from real estate development increased by 14% y-y in 1H15 from the strong performance of Anantara Vacation Club in 1Q15.

Overall Hotel & Mixed-Use Financial Performance Analysis

Total hotel and mixed-use revenues increased by 18% y-y in 2Q15. Excluding the one-time gain on the fair value adjustment of investment in Serendib in 2Q14, total hotel and mixed-use revenues increased by 20% y-y. All hotel and mixed-use businesses reported healthy revenue growth in 2Q15 except real estate development because of the absence of residential sales in this quarter. Reported hotel and mixed-use EBITDA increased by 2% y-y in 2Q15. Excluding the gain on the reclassification of investment in Serendib in 2Q14, core EBITDA expanded by 13% y-y, while EBITDA margin slightly decreased from 20% in 2Q14 to 19% in 2Q15, mainly attributable to the absence of the sale of residential business, which is the high-margin business, in 2Q15.

For 1H15, total hotel and mixed-use revenues increased by 22%. Excluding extra gains in 1Q15 and 2Q14, total hotel and mixed-use revenues increased by 16% y-y, attributable to the increase in revenue from hotel operations and real estate development. Reported hotel and mixed-use EBITDA increased by 25% y-y in 1H15. Excluding extra gains in 1Q15 and 2Q14, core hotel and mixed-use EBITDA increased by 3%, while EBITDA margin declined from 28% in 1H14 to 25% in 1H15. This was mainly attributable to the more normalized level of the high-margin management fees in 1H15, compared to 1H14.

Revenue Breakdown

Bt million	2Q15	2Q14	%Chg
Hotel & related services*	3,689	2,937	26%
Management fee	252	159	59%

Plaza & entertainment	151	150	1%
Real estate development	716	839	-15%
Total Revenues	4,806	4,083	18%
EBITDA	**910**	**892**	**2%**
EBITDA Margin	**19%**	**22%**	

	1H15	**1H14**	**%Chg**
Hotel & related services*	8,887	6,834	30%
Management fee	493	684	-28%
Plaza & entertainment	286	298	-4%
Real estate development	1,806	1,590	14%
Total Revenues	11,472	9,405	22%
EBITDA	**3,311**	**2,653**	**25%**
EBITDA Margin	**29%**	**28%**	

Note: The above figures include share of profit and other income

Retail Trading and Contract Manufacturing Business

At the end of 2Q15, MINT had 287 retail trading points of sales, an increase of 6 points of sales from 281 at the end of 2Q14. Majority of new openings was fashion outlets. Retail trading points of sale declined by 10 points of sales q-q, primarily from the consolidation of Esprit's sub-brands points of sale in the same shopping malls, together with the close down of some of the Red Earth outlets.

Of total 287 retail trading outlets, 87% are operated under fashion brands including Esprit, Bossini, GAP, Banana Republic, Charles & Keith, Tumi and Pedro, 6% are operated under Red Earth and another 7% are operated under Henckels.

Retail Trading's Outlet Breakdown

	2Q15	**Chg q-q**	**Chg y-y**
Fashion	251	-6	9
Cosmetics	17	-5	-4
Others	19	1	1
Total Outlets	**287**	**-10**	**6**

In 2Q15, total retail trading and contract manufacturing revenue was flat y-y. Revenue from retail trading business declined from domestic consumption slowdown, while contract manufacturing business's revenue increased from resumed orders from some key customers. Nonetheless, EBITDA of the retail trading and contract manufacturing business improved by a larger magnitude of 16% to Bt 58m in 2Q15 due to effective cost control. As a result, EBITDA margin increased from 6% in 2Q14 to 7% in 2Q15.

1H15 revenue from retail trading and contract manufacturing decreased by 4% y-y, while 1H14 EBITDA was flat compared to the same period last year, primarily because of the soft performance in 1Q15. EBITDA margin was stable at 9% in 1H15.

Retail Trading and Contract Manufacturing's Revenue Breakdown

Bt million	**2Q15**	**2Q14**	**%Chg**
Retail Trading	569	588	-3%
Manufacturing	244	222	10%
Total Revenues	**813**	**810**	**0%**
EBITDA	**58**	**50**	**16%**
EBITDA Margin	**7%**	**6%**	
	1H15	**1H14**	**%Chg**
Retail Trading	1,223	1,255	-3%
Manufacturing	513	556	-8%
Total Revenues	**1,736**	**1,811**	**-4%**
EBITDA	**156**	**156**	**0%**
EBITDA Margin	**9%**	**9%**	

Balance Sheet & Cash Flows

At the end of 2Q15, MINT reported total assets of Bt 80,273m, an increase of Bt 5,993m from Bt 74,279m at the end of 2014. The increase was primarily the result of:

1. Bt 4,456m increase in property, plant and equipment due mainly to the consolidation of new hotels of Sun International in Botswana and Namibia, and Tivoli in Brazil;
2. Bt 1,275m increase in associates and joint ventures investments mainly from the acquisition of Sun International hotels in Zambia and Lesotho and expansion of PER AQUUM Niyama, Maldives; netted off with
3. Bt 2,106m decrease in cash and cash equivalent from the payment for the investments in Tivoli hotels;
4. Bt 3,920m decrease in other non-current assets primarily from reclassification of advance payment for investments in Tivoli hotels in 4Q14

to land and real estates project for sales since 1Q15 upon completion of the acquisition.

MINT reported total liabilities of Bt 48,854m at the end of 2Q15, an increase of Bt 4,600m from Bt 44,255m at the end of 2014. The increase was due mainly to the issuance of 5-year debenture of Bt 4,000m and 10-year debenture of Bt 4,000m. The proceeds were used to repay debentures of Bt 2,500m due in May and long-term borrowings of Bt 1,605m, while the remaining will be used to finance any future expansion. In addition, deferred tax liabilities increased by Bt 667m because of additional tax liabilities estimated from the gain on revaluation of investment in Sun International in 1Q15.

Shareholders' equity increased by Bt 1,394m from Bt 30,024m at the end of 2014 to Bt 31,418m in 2Q15 owing mainly to 1H15 net profit of Bt 2,698m, netted off with loss from foreign exchange rate in translation adjustment of Bt 668m from the strengthening of Thai baht against foreign currencies especially Euro and Australian currencies.

For the first 6 months of 2015, MINT and its subsidiaries reported negative cash flows from operations of Bt 843m, a decrease of Bt 2,606m y-y. This was partly from the increase in land and real estates project for sales of Bt 2,674m for the acquisition of four Tivoli hotels in Portugal. Cash flow paid for investing activities was Bt 3,565m, due primarily to normal capital expenditures of hotel, restaurant and other businesses of Bt 2,454m and net cash invested in investments in subsidiaries and associates of Bt 732m, mainly from the investment in Tivoli hotels.

The Company reported net cash received from financing activities of Bt 2,403m, comprising primarily of net proceeds from the issuance of 5-year and 10-year debentures of Bt 8,000m and short-term and long-term borrowings of Bt 6,462m, netted off with net repayment of long-term loan and debentures of Bt 10,113m and dividend payment of Bt 1,006m.

Ultimately, cash flows from operating, investing and financing activities resulted in the decline in MINT's net cash and cash equivalents of Bt 2,005m in 1H15.

Financial Ratio Analysis

MINT's gross profit margin decreased to 58.8% in 1H15 compared to 59.2% in 1H14, due mainly to the lower operating leverage of the restaurant business, primarily in 2Q15. Net profit margin increased from 10.3% in 1H14 to 12.2% in 1H15. Stripping out extra gains in 1Q15 and 2Q14, core net profit margin declined from 10.0% in 1H14 to 9.3% in 1H15, in line with the decline in gross profit margin.

Annualized return on equity increased to 17.6% in 1H15 from 14.9% in 1H14. Correspondingly, annualized return on assets was up to 7.0% in 1H15 from 6.5% in 1H14. The increase of both ratios was a result of significantly improved net profit.

Collection days increased significantly from 54 days in 1H14 to 63 days in 1H15, due primarily to the increased receivables from installment sales of Anantara Vacation Club. The provision for impairment as a percentage of gross trade receivables slightly decreased from 7.4% in 1H14 to 7.1% in 1H15, primarily due to the effective management of trade receivables of restaurant business. 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 1H14 to 50 days in 1H15 due to slow moving inventory of restaurant and retail trading businesses amidst consumption slowdown. Account payable days slightly decreased to 42 days in 1H15.

Current ratio increased from 1.0x at the end of 2014 to 1.4x at the end of 2Q15 because of higher current assets as a result of the increase in land and real estates project for sale from the investment of four Tivoli hotels in Portugal, together with decline in current liabilities from the lower current portion of debentures from the repayment of long-term debentures due in May. Net interest bearing debt to equity increased from 1.1x at the end of 2014 to 1.2x at the end of 2Q15 from the issuance of new debenture of Bt 8,000m in 2Q15. Interest coverage ratio decreased to 4.1x in 1H15 from 4.8x in 1H14 because of the higher cash flow from operations.

Financial Ratio Analysis		
Profitability Ratio (3 months)	**30 Jun 15**	**30 Jun 14**
Gross Profit Margin (%)	58.80%	59.22%
Net Profit Margin (%)	12.20%	10.31%
Efficiency Ratio	**30 Jun 15**	**30 Jun 14**
Return on Equity* (%)	17.56%	14.87%
Return on Assets* (%)	6.98%	6.51%
Collection Period* (days)	63	54
Inventory Days*	50	47
Accounts Payable Days*	42	43
Liquidity Ratio	**30 Jun 15**	**31 Dec 14**
Current Ratio (x)	1.42	0.96
Leverage & Financial Policy	**30 Jun 15**	**31 Dec 14**
Interest Bearing Debt/Equity (x)	1.20	1.14
Net Interest Bearing Debt/Equity (x)	1.10	0.96
	30 Jun 15	**30 Jun 14**
Interest Coverage (x) (6 months)	4.07	4.78

Note: *Annualized

Management's Outlook

MINT anticipates improving performance in the second half of the year, both for its core hospitality and restaurant businesses, driven by its own internal efforts as well as improving external factors.

Brighter Outlook for Hospitality Business

The hotel business will continue to benefit from the strong momentum of tourist arrivals in Thailand, especially with the upcoming high season in the fourth quarter. In addition, profit contribution from recent acquisitions will increase over time as the performance of these new hotels gets ramped up and as results from the post-acquisition integration become more visible. Furthermore, MINT has already started the sales activities of The Residences by Anantara Layan in Phuket in the 3Q15. Today, such residential project saw the construction of four units already completed. Anantara Vacation Club, which is in its fifth year of operation, is expected to see margin improvement from the expanded scale of the business.

In addition, MINT successfully executed its acquisitions, all of which were earnings accretive, at attractive valuation levels, in line with its strategy to maximize shareholders' value. Furthermore, for the Tivoli acquisition, MINT currently only recognizes the operating performance of the two Brazil properties and receives rental fee on the remaining 4 assets in Portugal; therefore, the full impact on the profits have not yet been realized. The transaction to acquire the remaining 8 Tivoli properties, together with the brand and operating platform of the 12 hotels in Portugal, should be completed before year-end potentially allowing MINT to recap the full benefit of Tivoli portfolio and brand in the future.

Expected Positive Consumption Sentiment

In light of challenging market conditions facing the restaurant sector, MINT expects Thai government to roll out a series of economic policies to boost consumer confidence and consumptions in Thailand. In addition, MINT believes that its new product offerings, creative marketing and promotional strategies, disciplined outlet expansion, as well as its effort to enhance online food delivery service experience will improve the performance of its restaurant business in Thailand in the second half of the year.

In Singapore, two of the Thai Express outlets have already been renovated and are now opened with new menus and improved quality of food and services. These two outlets have so far been well-received. As more of these newly renovated restaurants open, MINT expects to see better performance of its Singapore hub.

Australia hub continues to perform well with its moderate same-store-sales growth and steady outlet expansion. At the same time, China hub will continue to focus on the expansion of its two key brands, Riverside and Sizzler, while selectively expand its Thai Express outlets.

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Ms. Trithip Sivakriskul

Corporate Chief Financial Officer