

MINT RECORDS 32% RISE IN NET PROFIT IN 1H15

Minor International (“MINT”) reported net profit of Baht 2,698 million in 1H15, a 32% increase from Baht 2,037 million in 1H14. This increase was mainly due to strong performance of MINT’s hospitality business as well as a gain of Baht 650 million from MINT’s acquisition of certain Sun International hotels in 1Q15. Excluding extra gains in 1Q15 and 2Q14, core profit increased by 4% in 1H15 from 1H14. 2Q15 core profit, excluding the 2Q14 gain relating to the reclassification of MINT’s investment in Serendib, decreased by 1% y-y. This decrease was mainly a result of an industry-wide consumption slowdown in Thailand which affected the performance of MINT’s restaurant business, although it was largely offset by the robust performance of MINT’s hospitality business in 2Q15. MINT’s 2Q15 reported net profit declined by 12% to Baht 541 million from Baht 617 million in 2Q14.

MINT’s hospitality business recorded a y-y net profit increase of 55% in 1H15 and stable net profit in 2Q15 compared to 2Q14. Excluding the gains, core profit of MINT’s hospitality business grew by 8% in 1H15 and 43% in 2Q15, reflecting the strength of MINT’s underlying hospitality business. This growth is largely attributable to solid performance of hotels in Thailand, where Anantara hotels’ revenue per available room (RevPar) increased by 36% in 2Q15, particularly because of Bangkok hotels which saw a steep performance recovery following adverse political events in 1H14. Performance of provincial hotels was mainly driven by MINT’s owned Anantara hotels, while most non-owned brands also performed well with the exception of the JW Marriott Phuket. Revenue per available room (RevPar) of the Company’s owned hotel portfolio organically increased by 13% y-y in 1H15 and 19% in 2Q15. MINT’s points-based timeshare Anantara Vacation Club also reported healthy performance with profits growing by over 60% in 1H15 from 1H14. MINT expects strong performance of the hospitality business for the remainder of the year, particularly the high-season fourth quarter, driven by the strong momentum of tourist arrivals to Thailand, profit contribution from recent acquisitions and the expected real estate income growth from commencement of sales of The Residences by Anantara Layan in Phuket. In 1H15, 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, therefore the full impact on the profits are not 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.

MINT’s restaurant business recorded a 2% net profit decrease in 1H15 and a 22% net profit decrease in 2Q15 y-y. These decreases were due to adverse economic conditions and an industry-wide consumption slowdown in Thailand, together with the ongoing major overhaul of core outlets in MINT’s Singapore hub, which undermined its operating leverage. Domestic consumption in Thailand, particularly in provincial areas, was soft due to increased household debt, depressed agricultural prices, drought and the uneven global economic recovery. The business’s total-system-sales growth in 1H15 was 12.2%, chiefly attributable to store expansion of 10% y-y, while same-store-sales declined by 0.5% over the same period. MINT expects that its new product offerings, creative marketing and promotional strategies as well as its effort to enhance on-line ordering and delivery platforms will drive sales and lift the performance of its restaurant business in the second half of 2015. In addition, a series of economic policies and expected government spending should boost economic conditions and consumption in Thailand. MINT also believes that the opening of new restaurant outlets alongside business expansion of major retail operators, together with continued growth of the Company’s franchised business, will allow stronger performance of its restaurant business in the second half of this year.

MINT’s retail trading business, which currently operates only in Thailand, recorded net profit growth of 5% in 1H15 and 94% in 2Q15, driven by the business unit’s efforts to tap into new sales channels and its ability to control costs in the midst of the industry-wide discretionary spending slowdown.

About Minor International:

Minor International (MINT) is a global company focused on three primary businesses including restaurants, hotels and lifestyle brands distribution. MINT is one of Asia’s largest restaurant companies with over 1,700 outlets operating system-wide in over 20 countries under The Pizza Company, Swensen’s, Sizzler, Dairy Queen, Burger King, Thai Express, The Coffee Club, Ribs and Rumps, BreadTalk (Thailand) and Riverside brands. MINT is also a hotel owner, operator and investor with a portfolio of 134 hotels and serviced suites under the Anantara, AVANI, Oaks, Per AQUUM, Tivoli, Elewana, Marriott, Four Seasons, St. Regis, Radisson Blu and Minor International brands in 22 countries across Asia Pacific, the Middle East, Africa, the Indian Ocean, Europe and South America. MINT is one of Thailand’s largest distributors of lifestyle brands focusing primarily on fashion, cosmetics and contract manufacturing. Its brands include Gap, Banana Republic, Esprit, Bossini, Charles & Keith, Pedro, Red Earth, Tumi, Zwilling J.A. Henckels, ETL Learning and Mysale. For more information, please visit www.minorinternational.com.

| | PERFORMANCE (Bt m) | | | | | |
|---|--------------------|---------------|-------------|---------------|---------------|-------------|
| | 2Q15 | 2Q14 | % Change | 1H15 | 1H14 | % Change |
| Total Revenues | 9,956 | 9,123 | 9% | 22,120 | 19,753 | 12% |
| Cost of Sales | 3,618 | 3,276 | 10% | 7,516 | 6,780 | 11% |
| Selling & Administrative | 4,693 | 4,181 | 12% | 9,622 | 8,732 | 10% |
| EBITDA | 1,645 | 1,667 | -1% | 4,982 | 4,242 | 17% |
| Depreciation & Amort. | 708 | 678 | 4% | 1,443 | 1,338 | 8% |
| EBIT | 937 | 989 | -5% | 3,539 | 2,904 | 22% |
| Interest Expenses | 327 | 299 | 9% | 644 | 542 | 19% |
| Earnings Before Tax | 610 | 690 | -12% | 2,895 | 2,362 | 23% |
| Corporate Tax | 52 | 72 | -28% | 145 | 284 | -49% |
| Minority Interest | 18 | 2 | -967% | 52 | 41 | N.M. |
| Net Profit as Reported | 541 | 617 | -12% | 2,698 | 2,037 | 32% |
| Core Net Profit | 541 | 548 | -1% | 2,048 | 1,967 | 4% |
| Fully Diluted EPS as Reported (Bt) | 0.1229 | 0.1401 | -12% | 0.6128 | 0.4626 | 32% |
| Fully Diluted Shares (mn) | 4,402 | 4,402 | 0% | 4,402 | 4,402 | 0% |

Note: Share of profit is included in other revenues

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