Management Discussion and Analysis

Overview

4Q12 and 2012 Performance

2012 was another successful year for Minor International Public Company Limited ("MINT") with a number of notable achievements, from the expansion of hotel and restaurant businesses in completely new markets, e.g. Malaysia and Egypt, to the acquisition of a luxury hotel in Phuket and a popular local restaurant chain in China. As the two acquisitions were completed in the second half of the year, most of the growth in 2012 was from organic expansion, underscoring the positive business outlook. From the first quarter of 2012, MINT posted record quarterly revenues and net profit and it continued to show strong performance throughout the second and third quarters of 2012. MINT ended the year with healthy 4Q12 revenues and profit of Bt 8,860m and Bt 1,184m, representing y-y growth of 21% and 151% respectively. Even though 4Q11 was a low base for comparison due to some one-time write-off expenditures from flooding in Thailand, most of the growth in 4Q12 was still attributable to the actual improved performances of all businesses. Among all three businesses, hotel & mixed-use, restaurant and retail trading & contract manufacturing, the latter one reported the highest revenue growth primarily as contract manufacturing plant, Navasi ("NMT"), was closed down for the whole quarter as a result of flooding in 4Q11. Nevertheless, hotel and restaurant businesses, which experienced much less impact from the flood, posted double-digit revenue growth y-y in 4Q12. Following the outstanding performance in 2012, MINT's Board of Directors approved to pay cash dividend in the amount of Baht 0.30 per share, subject to the approval of MINT's shareholders at the Annual General Meeting of Shareholders to be held on April 3rd, 2013.

Hotel & mixed-use business contributed 52% of total revenue in 4Q12. Restaurant business accounted for 38% while retail trading and contract manufacturing contributed the remaining 10% in 4Q12.

Revenue Breakdown

Bt million	**4Q12**	**4Q11**	**%Chg**
Restaurant Services	3,406	2,954	15%
Hotel & Mixed-Use	4,549	3,875	17%
Retail Trading & Contract Manufacturing	905	516	75%
Total Revenue	**8,860**	**7,345**	**21%**

MINT reported 2012 total revenues of Bt 32,993m, an increase of 21% from the same period last year (excluding Bt 1,054m one-time gain on fair value adjustment of investment in S&P Syndicate Pcl. ("S&P")). The growth was due mainly to strong performance of all businesses, together with the full 12-months consolidation of Oaks Hotels & Resorts ("Oaks") in Australia in 2012 compared to 7-months consolidation in 2011, and low base comparison in 4Q11. Excluding Oaks, MINT's 2012 revenues increased by 10% y-y.

With the strong performance of the business and contribution from Oaks, hotels & mixed-use businesses accounted for 50% of total revenues in 2012. Restaurant business contributed 40% and retail trading and contract manufacturing contributed another 10%.

Revenue Breakdown

Bt million	**2012**	**2011**	**%Chg**
Restaurant Services	13,192	11,697	13%
Hotel & Mixed-Use	16,390	12,657	29%
Retail Trading & Contract Manufacturing	3,412	2,923	17%
Total Revenue*	**32,993**	**27,278**	**21%**

* Including share of profit from investments in associates and joint ventures but excluding one-time gain on fair value adjustment of S&P investment of Bt 1,054m
Dividend income from S&P prior to 3Q11 has been restated from hotel to restaurant business unit

In 4Q12, MINT reported EBITDA of Bt 2,021m, a 48% growth over the same period last year. The increase was due primarily to the strong growth of both hotel & mixed-use and restaurant businesses, together with retail trading & contract manufacturing's loss in 4Q11 as a result of flood-related write-off expenditures compared to positive EBITDA in 4Q12.

Hotel & mixed-use and restaurant businesses accounted for 67% and 29% of total EBITDA in 4Q12, respectively. Retail trading & contract manufacturing contributed the remaining 3% of total EBITDA.

EBITDA Breakdown

Bt million	4Q12	4Q11	%Chg
Restaurant Services	592	492	20%
Hotel & Mixed-Use	1,360	1,050	30%
Retail Trading & Contract Manufacturing	69	-173	N/M
Total EBITDA	**2,021**	**1,369**	**48%**
EBITDA Margin	**23%**	**19%**	

MINT's 2012 EBITDA grew by 35% to Bt 7,063m. The increase in EBITDA was a result of 1) improvement of all three business units, 2) profit generated from the two-year-old business, Anantara Vacation Club and 3) the full 12-months consolidation of Oaks in 2012 compared to 7-months consolidation in 2011. 2012 EBITDA margin increased to 21% as a result of better operating leverage and Anantara Vacation Club turning loss to profit.

Hotel & mixed-use business represented 64% of total EBITDA in 2012, while restaurant business accounted for 32%. Retail trading and contract manufacturing business accounted for the remaining 4%.

EBITDA Breakdown

Bt million	2012	2011	%Chg
Restaurant Services	2,238	1,923	16%
Hotel & Mixed-Use	4,535	3,313	37%
Retail Trading & Contract Manufacturing	289	4	N/M
Total EBITDA*	**7,063**	**5,240**	**35%**
EBITDA Margin*	**21%**	**19%**	

* Excluding one-time gain on fair value adjustment of S&P investment of Bt 1,054m, netted off with one-time impairment charge of China business of Bt 93m

Dividend income from S&P prior to 3Q11 has been restated from hotel to restaurant business unit

MINT reported net profit of Bt 1,184m in 4Q12, up 151% y-y due primarily to the strong performances of all businesses while in part due to the low-base comparison in 4Q11. As a result, 4Q12 net profit margin improved significantly from 6% in 4Q11 to 13% this quarter. 2012 net profit was Bt 3,409m, a growth of 78% y-y, and net profit margin increased from 7% in 2011 to 10% in 2012.

Net Profit

Bt million	4Q12	4Q11	%Chg
Total net profit	1,184	472	151%
Net Profit Margin	**13%**	**6%**	
	2012	**2011**	**%Chg**
Total net profit*	3,409	1,919	78%
Net Profit Margin*	**10%**	**7%**	

* Excluding one-time gain on fair value adjustment of S&P investment of Bt 1,054m, netted off with one-time impairment charge of China business of Bt 93m

Major Developments in 4Q12

	Developments
Restaurant	• Successfully acquired Beijing Riverside & Courtyard ("Riverside"), a distinctive chain of casual-concept restaurants in China, specializing in Sichuan barbecue fish in late December 2012 • Opened 77 outlets, net q-q, 21 of which are the newly acquired Riverside outlets and another 24 are Dairy Queen's franchised outlets in Thailand
Hotel & Mixed-Use	• Took over the management of Golden Palm Tree Iconic Resort & Spa in Sepang, Malaysia, to be rebranded Avani later in 2013, and added the newest Serengeti Pioneer Camp to the Elewana Collection of lodges, camps and hotels in Tanzania • Rebranded Kani Lanka Resort & Spa, Sri Lanka, which was acquired in 2010, to Avani Kalutara, commencing in 4Q12 • Transferred and recorded 4Q12 revenues for 5% of total sellable area of St. Regis Residences and sold additional one unit of the Estates Samui in 4Q12
Retail Trading	• All Bloom points of sales were closed down during 4Q12 after the brand owner/ principal in Australia decided to discontinue the brand
Corporate	• Issued a total of Bt 1.5bn 5-year debenture in December 2012 with interest rate of 4.2%.

Segment Performance

Restaurant Business

At the end of 2012, MINT's total restaurants reached 1,381 outlets, comprising 760 equity-owned outlets (55% of total), and 621 franchised outlets (45% of total). Of total, 914 outlets (66% of total) are in Thailand, while the remaining 467 outlets (34% of total) are in Australia, New Zealand, Singapore, China, Middle East, Maldives, Egypt and other countries in Asia. Eighty six outlets were opened in 4Q12, while nine outlets were closed. The acquisition of Riverside in China added 21 outlets to MINT's restaurant portfolio. Dairy Queen continued to accelerate its domestic franchising by adding another 24 franchised outlets during the quarter.

Restaurant Outlets by Owned Equity and Franchise

	4Q12	Chg q-q	Chg y-y
Owned Equity	760	34	49
- Thailand	641	12	25
- Overseas	119	22	24
Franchise	621	43	75
- Thailand	273	32	58
- Overseas	348	11	17
Total Outlets	**1,381**	**77**	**124**

Restaurant Outlets by Brand

	4Q12	Chg q-q	Chg y-y
The Pizza Company	292	6	15
Swensen's	281	9	14
Sizzler	45	1	0
Dairy Queen	309	27	46
Burger King	29	2	2
The Coffee Club	313	14	26
Ribs and Rumps	12	0	5
Thai Express	64	-3	-5
Riverside	21	21	21
Others*	15	0	0
Total Outlets	**1,381**	**77**	**124**

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

Brand Performance Analysis

In 4Q12, Swensen's, Sizzler and Burger King reported impressive strong double-digit same store sales growth as a result of the launch of marketing programs and popular products, e.g. Swensen's Happy Sundae, Sizzler's introduction of special new menu and Burger King's relaunch of the famous Angus burger, that successfully captured the celebration season in the fourth quarter and drove customer growth. For The Pizza Company, same store sales performance was attributable to the high base in 4Q11, as more deliveries were ordered during the flood because many households were restrained from home cooking. For Ribs and Rumps, the brand continues to undergo the improvement of operational system post acquisition to be in accordance with Minor Food Group's high standard of practice. In addition, some outlets temporarily closed for renovation during 2012.

With the outlet expansion of 9.9% y-y, total system sales growth was 11.4% in 4Q12.

Restaurant Business Performance by Brand

Same Store Sales (% chg y-y)

	4Q12	4Q11	2012	2011
The Pizza Company	(0.8)	11.3	5.9	11.7
Swensen's	14.2	(0.3)	10.7	3.6
Sizzler	14.6	5.0	6.1	11.8
Dairy Queen	9.1	20.7	17.5	16.7
Burger King	18.2	16.9	10.2	21.8
The Coffee Club	2.3	5.5	3.1	8.8
Ribs and Rumps	(0.8)	N/A	(0.5)	N/A
Thai Express	1.8	(3.7)	(0.4)	(1.6)
Average	**4.6**	**6.5**	**5.5**	**9.0**

Total System Sales (% chg y-y)

	4Q12	4Q11	2012	2011
The Pizza Company	4.2	18.2	14.6	15.6
Swensen's	22.2	8.6	18.9	11.8
Sizzler	12.6	8.3	7.0	14.5
Dairy Queen	27.5	30.8	30.2	23.8
Burger King	19.5	6.9	10.8	17.1
The Coffee Club	8.7	13.7	10.3	15.8
Ribs and Rumps	46.5	N/A	N/A	N/A
Thai Express	4.2	(0.3)	5.2	0.9
Average	**11.4**	**12.7**	**15.1**	**14.1**

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

Financial Performance Analysis

4Q12 total restaurant revenues grew by 15% y-y, mainly driven by modest comparable growth, continued outlet expansion and increased share of profit from investment. MINT's franchise fee in 4Q12 grew by 30% y-y attributable to the strong expansion of domestic franchising. 4Q12 EBITDA expanded by 20% y-y, a higher rate compared to revenue growth from the increase in asset-light business, together with higher efficiency from the operating leverage. EBITDA margin therefore improved slightly from 16.6% to 17.4% in 4Q12.

2012 total restaurant revenues grew by 13% y-y from the continuous strong comparable and total system sales from the favorable domestic consumption environment throughout the year, together with MINT's effective marketing campaigns. 2012 restaurant EBITDA expanded by 16% y-y. As a result of improved operating leverage and increased stake in S&P, EBITDA margin increased slightly to 17% in 2012.

Revenue Breakdown

Bt million	4Q12	4Q11	%Chg
Revenues from Operation	3,283	2,859	15%
Franchise Fee	123	94	30%
Total Revenues	3,406	2,954	15%
EBITDA	**592**	**492**	**20%**
EBITDA Margin (%)	**17%**	**17%**	
	2012	**2011**	**%Chg**
Revenues from Operation*	12,767	11,349	12%
Franchise Fee	425	348	22%
Total Revenues	13,192	11,697	13%
EBITDA **	**2,238**	**1,923**	**16%**
EBITDA Margin (%)**	**17%**	**16%**	

* Includes share of profit and other income, but excluding one-time gain on fair value adjustment of S&P investment of Bt 1,054m
** Excludes one-time gain on fair value adjustment of S&P investment of Bt 1,054m and one-time impairment charge of China business of Bt 93m

Hotel & Mixed-Use Business

Hotel Business

At the end of 4Q12, MINT owns twenty eight hotels and manages fifty four hotels and serviced suites in twelve countries. Altogether, these properties have 10,348 hotel rooms and serviced suites, including 3,145 that are equity-owned and 7,203 that are purely-managed by the Company and its subsidiary, Oaks. Of the total, 3,087 rooms in Thailand accounted for 30%, while the remaining 7,261 rooms or 70% 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

	4Q12	Chg q-q	Chg y-y
Equity-owned*	3,145	0	-142
- Thailand	2,229	0	-142
- Overseas	916	0	0
Management	7,203	266	669
- Thailand	858	20	20
- Overseas	6,345	246	649
Total Hotel Rooms	**10,348**	**266**	**527**

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

Hotel Room by Brand

	4Q12	Chg q-q	Chg y-y
Anantara	2,681	20	326
Four Seasons	505	0	0
Marriott	563	0	-219
Oaks	5,295	-79	18
Avani	510	315	315
Others	794	10	87
Total Hotel Rooms	**10,348**	**266**	**527**

Hotel Brand Performance Analysis

In 4Q12, Minor Hotel Group's average occupancy improved by 3% to 71%, due to the increases in every group, except for Oaks. Four Seasons group showed the most improvement in occupancy as its largest hotel with the most number of rooms, Four Seasons Bangkok, exhibited one of its best quarterly occupancy in 4Q12, compared to low 4Q11 occupancy as a result of the flooding in Bangkok. Although all four hotels increased their room rates in 4Q12 y-y, the Four Seasons' group average daily rate ("ADR") declined by 9%. Four Seasons Bangkok yields the lowest average daily rate among the four Four Seasons hotels because of its regular room types, compared to other Four Seasons hotels in Thailand that offer villas and larger room space. With the highest increase in number of rooms sold being Four Seasons Bangkok, the hotel pulled down the Four Seasons group's average daily rate. Nevertheless, the group's RevPar increased as much as 53% y-y. Excluding

Four Seasons Bangkok, the group would report a 5% growth in their average daily rates.

Anantara group also reported strong growth in occupancy despite addition of new hotels during the year, due in part to the continued improvement in Anantara Riverside since its rebranding in November 2011, compared to low-base from flooding impact in 4Q11 as well. The increase in number of rooms sold at Anantara Riverside (at relatively low rates compared to other Anantara hotels) led to the decline in Anantara group's average daily rate by 5% y-y. Excluding Anantara Riverside, the group's average daily rate increased by 1% y-y in the quarter.

For Oaks, the occupancy remains in the high seventies level. Despite 2% decline in occupancy rate, its average daily rate increased by 4%. Hence, RevPar expanded moderately by 2% in 4Q12.

For 2012, all brands, except Oaks, reported improvements in average occupancies. Oaks' occupancy declined slightly to 77% as a result of the temporary change in regulations in Sydney which affected Oaks' properties in 3Q12.

2012 average daily rate for all groups except Anantara and Four Seasons, also showed an improvement. The decline in average daily rates of Anantara and Four Seasons groups, especially earlier in the year, was more than offset by the increase in occupancies as part of the revenue management strategy and in part due to the reasons mentioned earlier. RevPar of all brands expanded in 2012.

Hotel Business Performance by Brand

Occupancy (%)

	4Q12	4Q11	2012	2011
Marriott	83	65	75	67
Anantara	60	58	57	52
Four Seasons	71	42	64	50
Oaks	77	79	77	79
Others	58	44	55	45
Average	**71**	**68**	**69**	**65**
MINT's Portfolio in Thailand	**70**	**54**	**65**	**56**
Industry Average in Thailand	**65**	**56**	**61**	**58**

Source for Industry Average: Bank of Thailand

ADR (Bt/night)

	4Q12	4Q11	2012	2011
Marriott	4,359	4,029	4,047	3,643
Anantara	6,906	7,239	6,554	6,829
Four Seasons	9,068	9,970	8,455	8,660
Oaks	5,071	4,880	5,138	4,977
Others	5,983	5,302	6,075	4,925
Average	**5,740**	**5,483**	**5,589**	**5,385**
MINT's Portfolio in Thailand	**5,029**	**4,808**	**4,819**	**4,640**
Industry Average in Thailand	**1,996**	**1,894**	**1,895**	**1,843**

Source for Industry Average: Bank of Thailand

RevPar (Bt/night)

	4Q12	4Q11	2012	2011
Marriott	3,607	2,614	3,050	2,450
Anantara	4,167	4,178	3,752	3,526
Four Seasons	6,426	4,197	5,374	4,325
Oaks	3,917	3,856	3,945	3,917
Others	3,449	2,335	3,315	2,193
Average	**4,075**	**3,737**	**3,871**	**3,479**

Hotel Performance Analysis

Because of improved performance of all hotels in the portfolio compared to low-base 4Q11 from Bangkok flooding, 4Q12 revenues from hotel operation increased by 19% despite the permanent closure of Hua Hin Marriott Resort & Spa in June 2012. Management fees, on the other hand, declined by 25% in 4Q12 y-y as there were year-end adjustments which resulted in higher than normal quarterly management fees in 4Q11. Nonetheless, full year 2012 management fees increased by 8% y-y.

2012 revenues from hotel operations grew by 40% due mainly to the improvement of the overall hotel portfolio and the full 12-months consolidation of Oaks in 2012 compared to 7-months consolidation since June 2011 in 2011. Excluding Oaks, revenues from hotel operations for 2012 still grew by solid 21% y-y.

Mixed-Use Business & Performance Analysis

MINT's spa business is operated under Anantara, Mandara and Elemis brands. At the end of 4Q12, MINT owns and manages 34 spas in Thailand, China, Maldives, Tanzania, Jordan, UAE, India, Egypt and Korea. In 4Q12, MINT reported a healthy 11% increase in revenues from spa services to Bt 86m, while its spa revenues in 2012 increased by 8% to Bt 323m, in line with the improvement in the hotel operations.

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. As at 4Q12, Anantara Vacation Club has total inventory of 46 units, comprising of 20 purpose-built properties adjacent to Anantara Bophut, Samui, two villas in Phuket, three units in Queenstown, New Zealand, three units in Bangkok and eighteen units in Bali. Anantara Vacation Club has been increasingly popular and its sales more than doubled in 4Q12 compared to 4Q11. Anantara Vacation Club has become profitable in 2012, only into its second year of operations. Together with the residential sales, real estates business continues to be a major contributor of the hotel and mixed use business, with 4Q12 sales of Bt 971m, an increase of 21% y-y. For 2012, sales of real estate development totaled Bt 3,109m, an increase of 9% y-y.

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 (7) Ripley's Sky Rider; (8) Ripley's The Vault. In 4Q12, revenues from plaza and entertainment business increased by 9% y-y to Bt 145m, in line with the improved traffics to MINT's hotels and against the low base in 4Q11 where Royal Garden Plaza Bangkok was affected by the concern over flooding. 2012 revenues from plaza and entertainment business also increased by 4%.

Overall Hotel & Mixed-Use Financial Performance Analysis

All hotel and mixed-use businesses reported healthy revenue growth in 4Q12. Revenues from real estate development continued to exhibit the strongest growth of 21% from the increased popularity of Anantara Vacation Club. Hotel operations also saw significant growth driven mainly by improved operations. As a result, hotel group's 4Q12 EBITDA expanded by 30% and its EBITDA margin increased to 30%.

For 2012, total hotel and mixed use revenues increased by 29%, mainly attributable to increase in revenue from hotel operations, from the better performance of the overall hotel portfolio, as well as the full consolidation of Oaks, and improved real estate business. The group's EBITDA expanded by a larger extent of 37%, primarily from the better profitability of the hotel operations, as well as Anantara Vacation Club becoming profitable in 2012. As a result, EBITDA margin of hotel & mixed use business increased to 28% in 2012, compared to 26% in 2011.

Revenue Breakdown

Bt million	**4Q12**	**4Q11**	**%Chg**
Hotel operations*	3,251	2,736	19%
Management fee	96	127	-25%
Spa services	86	77	11%
Plaza & entertainment	145	134	9%
Real estate development**	971	801	21%
Total Revenues	4,549	3,875	17%
EBITDA	**1,360**	**1,050**	**30%**
EBITDA Margin (%)	**30%**	**27%**	
	2012	**2011**	**%Chg**
Hotel operations*	11,991	8,587	40%
Management fee	355	330	8%
Spa services	323	298	8%
Plaza & entertainment	611	589	4%
Real estate development**	3,109	2,853	9%
Total Revenues	16,390	12,657	29%
EBITDA	**4,535**	**3,313**	**37%**
EBITDA Margin (%)	**28%**	**26%**	

* Includes share of profit and other income
** Includes rental income from the Estate Samui

Retail Trading and Contract Manufacturing Business

At the end of 4Q12, MINT had 235 retail trading points of sales. During 4Q12, the Company opened 11 new outlets under Esprit, Bossini, Pedro and Red Earth brands. However, all 13 outlets of Bloom were closed down after the owner/principal in Australia decided to discontinue the brand. MINT remains the distributor of the cosmetics brand, Red Earth. MINT expects Red Earth to continue to grow throughout the contract term.

Of total 235 retail trading outlets at year-end 2012, 86% are operated under fashion brands such as Esprit, Bossini, GAP, Charles & Keith, Tumi and Pedro, while another 9% are operated under Red Earth.

Retail Trading's Outlet Breakdown

	4Q12	Chg q-q	Chg y-y
Fashion	202	8	19
Cosmetics	20	-10	-29
Others	13	0	-2
Total Outlets	**235**	**-2**	**-12**

In 4Q12, retail trading and contract manufacturing business reported significant revenue growth of 75%, compared to the same period last year. In 4Q11, NMT contract manufacturing plant was affected by the flood and was closed down for the whole quarter. Retail trading business also saw a healthy revenue growth of 23% from the expansion of points of sale, despite the closure of La Neige, Smashbox and Bloom cosmetics. As a result, retail trading and contract manufacturing businesses reported EBITDA of Bt 69m with an EBITDA margin of 8% in 4Q12.

Revenues from retail trading and contract manufacturing in 2012 grew by 17%, although NMT did not resume its full operation since the flooding until June 2012 and the points of sale of three cosmetics were closed down. 2012 EBITDA increased significantly to Bt 289m as NMT received the flood insurance claim in 1Q12 and 3Q12. 2012 EBITDA margin stood at 8%.

Retail Trading and Contract Manufacturing's Revenue Breakdown

Bt million	4Q12	4Q11	%Chg
Retail Trading	575	466	23%
Manufacturing	330	50	N/M
Total Revenues	905	516	75%
EBITDA	**69**	**-173**	**N/M**
EBITDA Margin	**8%**	**-33%**	
	2012	**2011**	**%Chg**
Retail Trading	2,207	1,898	16%
Manufacturing	1,205	1,025	18%
Total Revenues	3,412	2,923	17%
EBITDA	**289**	**4**	**N/M**
EBITDA Margin	**8%**	**0%**	

Balance Sheet & Cash Flows

At the end of 2012, MINT reported total assets of Bt 50,975m, an increase of Bt 9,352m from Bt 41,623m at the end of 2011. The increase was primarily the result of:

1. Bt 2,557m increase in cash and cash equivalent mainly from improved operations, management fees received from managed properties and proceed from debenture issuance of Bt 6,000m
2. Bt 815m increase in trade receivables long- term contract corresponding with the significant growth of Anantara Vacation Club's sales
3. Bt 2,521m increase in property, plant and equipment, of which, the majority is from the acquisition of Bundarika Hotels and Suites and the adjacent land in Phuket and Oaks' acquisition of 3 properties in Australia; Grand Hotel in Gladstone, Oaks Oasis in Caloundra and Oaks Castlereagh in Sydney and the acquisition of Riverside restaurant chain in China
4. Bt 1,420m increase in intangible assets mainly from Oaks' acquisition of additional Management Letting Right ("MLR") and goodwill from the investment in Oaks' subsidiaries, in addition to the goodwill from the acquisition of Riverside in China
5. Bt 679m increase in non-current assets due in part to the convertible loan to Riverside

MINT reported total liabilities of Bt 31,628m at the end of 2012, an increase of Bt 4,940m from Bt 26,688m at the end of 2011, as a result of the issuance of Bt 6,000m debenture to repay some existing debentures that are nearing maturity, to repay short-term borrowing and to finance any future expansion, netted off with partial repayments of trade payables and other short term liabilities.

Shareholders' equity increased by Bt 4,412m to Bt 19,347m at the end of 2012 from Bt 14,935m at the end of 2011 owing mainly to net profit of Bt 3,409m, the exercise of rights-offering and ESOP warrants of Bt 912m, netted off with net dividend payment of Bt 499m.

For the 12 months of 2012, MINT and its subsidiaries reported cash flows from operations of Bt 4,046m, an increase of Bt 388m y-y. Cash flow paid for investing activities was Bt 6,329m, due primarily to (1) the acquisitions under Oaks of Bt 878m (2) investment in the hotel and land in Phuket of approximately Bt 1,000m and (3) investment in Riverside of Bt 1,200m and 4) normal capital expenditures for hotel, restaurant and other businesses of Bt 2,449m. The Company reported net cash received from financing activities of Bt 4,834m, comprising primarily of (1) net proceeds from borrowings and debenture issuance of Bt 4,411m to finance the investment in Bundarika Hotel and Suite, Oak's Grand Hotel and Riverside and repay some existing debentures upon maturity (2) increased capital from conversion of rights-offering and ESOP warrants of Bt 912m, netted off with (3) cash dividend payment of Bt 499m. As a result, MINT's net cash and cash equivalents increased by Bt 2,552m in 2012.

Financial Ratio Analysis

MINT's gross profit margin increased to 60.2% in 2012 compared to 60.0% in 2011 (excluding net one-time gain) from the improved gross profit margins of restaurant and real estate businesses. Net profit margin improved to 10.3% in 2012 from 7.0% in 2011 mainly from the improved profitability of all businesses, low-base comparison from the flood-related write-off expenses in 4Q11 and the profit generated from Anantara Vacation Club.

Return on equity increased to 19.9% in 2012 from 13.4% in 2011. Correspondingly, return on assets was up to 7.4% in 2012 from 5.2% in 2011. The increase of both ratios was a result of significantly improved net profit.

Collection days decreased to 16 in 2012, compared to 17 in 2011 due to the increased receivables corresponding with revenues growth of NMT and Anantara Vacation Club. Inventory days were maintained at 50 and accounts payable days declined slightly to 41.

Current ratio increased to 1.2x in 2012 from 0.9x at the end of 2011 due mainly to the repayment of current portion of long-term borrowings. Despite the issuance of new debenture, net interest bearing debt/ equity declined to 1.1x in 2012 as shareholders' equity increased from the stock dividend payment and conversions of rights-offering and ESOP warrants, together with 2012 net profit. Nevertheless, interest coverage ratio decreased to 5.1x in 2012 from 5.5x in 2011 due mainly to the increased interest expenses.

Financial Ratio Analysis

Profitability Ratio	**31-Dec-12**	**31-Dec-11**
Gross Profit Margin (%)	60.18%	59.97%
Net Profit Margin (%)*	10.33%	7.04%
Return on Equity (%)*	19.89%	13.38%
Efficiency Ratio	**31-Dec-12**	**31-Dec-11**
Return on Assets (%)*	7.36%	5.16%
Collection Period (days)	16	17
Inventory Days	50	50
Accounts Payable Days	41	43
Liquidity Ratio	**31-Dec-12**	**31-Dec-11**
Current Ratio (x)	1.15	0.86
Leverage & Financial Policy	**31-Dec-12**	**31-Dec-11**
Interest Bearing Debt/Equity (x)	1.25	1.33
Net Interest Bearing Debt/Equity (x)	1.06	1.25
	31-Dec-12	**31-Dec-11**
Interest Coverage (x)*	5.09	5.54

* Excluding one-time gain on fair value adjustment of S&P investment of Bt 1,054m, netted off with one-time impairment charge of China business of Bt 93m

Management's Outlook

With the number of tourist arrival to Thailand expected to grow by 10% in 2013 and gross domestic product of Thailand expected to expand by 5%, MINT is committed to sustaining the operational and financial growth momentum. It has set a clear vision to establish strong footprints in existing and new markets. A number of new initiatives has been planned to ensure consistent growth in revenues, profit and cash flows. MINT's long-term strategies still focus on "asset-right strategy", a combination of investment in own assets and leverage on own brands to franchise/ manage other people's assets to maximize the profitability on the back of strong fundamentals.

To better highlight the asset-right strategy, MINT invested in Beijing Riverside & Courtyard, a restaurant chain of sizzling fish dishes in China in late 2012. The investment does not only enhance the diversification and double the number of MINT's restaurants in China, but it will also generate immediate earnings, thus transforming the food business in China operationally and financially in 2013. On the other hand, in early 2013, MINT has partnered with Dubai-based company for its first managed property in Dubai, which will be part of the internationally renowned Anantara Hotels, Resorts & Spas portfolio. Anantara Dubai Palm Jumeirah Resort & Spa is a five star resort on Dubai's iconic Palm Jumeirah, and will open in September 2013. It will offer a total of 293 guest rooms and suites, a private beach, six themed restaurants and bars, which will be a great complement to Anantara's three existing properties in Abu Dhabi. The management of these four world's top luxurious hotels in the Middle East under the Anantara brand certainly reflects the credibility of MINT's brand and management team, which have over time attracted hotel owners.

Looking forward, the strength of MINT's brands is a key to drive solid expansion. A well established brand not only leads to higher business volume for own hotels/ restaurants but also an increase in the management / franchised pipeline as hotel/ restaurant owners prefer to join a system with strong brands that have the established support, thus resulting in higher margins and profitability. MINT continues to internationalize its brands in order to remain competitive in domestic and overseas markets and to meet the dynamic demand of consumers across different regions. Although each and every one of MINT's brands has their own unique appeal and quality, they can also be expanded out of their origin country as they are all able to meet high international standards. This achievement is also due to the fact that the Company has developed strong international teams to study and determine the optimal business models for each market corresponding with the market appetite as well as risks inherent in each specific market.

In addition to brand strength, efficient operating system is also an important factor to appeal to potential partners, both equity joint venture and hotel/restaurant owners. Given the intensified competition by increasing number of players in the market, business partners often seek to partner with the operators who have proven record of success and equipped support system. MINT has not only invested in one of the world's top technology and infrastructure, but it has also developed its own Minor Plus Card community that will ensure repeated customers. MINT believes that its operational excellence will be a key differentiator that sets the Company and its brands apart from other players.

As MINT looks ahead to 2013 and beyond, it remains well positioned to maintain its market leading position. The Company is confident that it can continue to deliver strong results year after year on the back of a highly motivated management team and employees as well as in-depth knowledge and connections within its core businesses. MINT is looking forward to another successful year in 2013.

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Ms. Trithip Sivakriskul

Corporate Chief Financial Officer