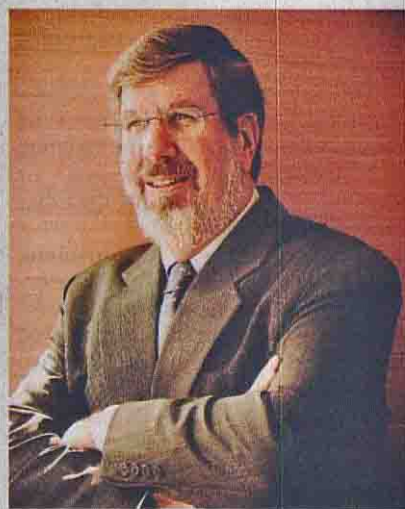


MINT READY WHEREVER OPPORTUNITY ARISES

EXECUTIVE Q&A

SHAREINVESTOR



Heinecke: "Our executives have to be able to grow, recruit and keep great talent."

Minor International Plc (MINT), founded in 1978, is one of the largest hospitality and leisure companies in the Asia-Pacific region. With more than 70 hotels and resorts, 1,200 restaurants and 200 retail trading outlets, MINT meets the growing needs of consumers in Thailand and in 21 markets from Africa to Australia. William E. Heinecke, chairman and CEO, discusses the company's strategy and outlook.

What is MINT's business model?

MINT is a global leisure company focusing on food and hospitality. Within Thailand we have a long history in both businesses dating back to the early 1970s where we were early pioneers in the hospitality business, starting in Pattaya and moving in Bangkok.

MINT has been growing aggressively outside of Thailand in both the food and hospitality segments. Why is this?

This is not because we have lost faith in Thailand, but because given the funds we have for investments, there are more attractive opportunities internationally. We started expanding internationally by acquiring The Coffee Club in Australia and Thai Express in Singapore. We also tend to bring our overseas acquisitions back into Thailand and other markets.

For the hospitality business we have also gone into Australia by acquiring Oaks Hotels & Resorts last year and will be looking to develop a hotel in Gladstone which has the largest foreign investment of any city in Australia. Today about 30% of our hotel revenue is generated from Australia which takes MINT away from the realms of local political concerns, terrorism and flooding, which unfortunately have seriously affected Thai tourism.

How is MINT's food business progressing?

We are the largest in the food business in Thailand with everything from pizza to ice-cream, and we cover almost every category in the fast-dining segment. We have very strong mass-market brands and what especially sets our model apart is that we have very strong intellectual property and good people. For the food business in China we are making headway and refuse to give up; today there's an S&P there and a Thai Xpress in Beijing in addition to our Pizza Company and Sizzler. All of these are profitable at a store level and as we get more momentum and brands there, we feel it will become extremely profitable. We are committed to China because we want to be a global player.

MINT has developed its own hospitality brands Anatara and Avani. How are they progressing?

When we first took the step away from managing other people's brands or letting people manage our properties, we set a very clear image of what Anatara stands for. It's indigenous and is meant to give you the experience of the country you are in, which is different from most hotels globally. We focus a lot on the software, our people, and in any hotel you visit, it's the software that makes the biggest difference. For Anatara the reaction is fantastic. It's in its 11th year now with 11 locations and we will have six or seven more this year. Avani was recently launched with two hotels in Sri Lanka and we would like to open one in Thailand soon.

Why did MINT decide to expand into Australia?

It was opportunistic because it gave us very attractive returns that we weren't seeing here in Thailand. The hospitality industry in Australia is different to Thailand's as it is not overdeveloped. What attracted us to Oaks is that 80% of its business comes from domestic travellers; thus it is domestic-driven with no political turbulence, and a relatively

recession-proof economy. A synergistic value is that we can tap into the Oaks sales centres and drive Australian business to our hotels in Bali, Thailand and even the Middle East which is a great stopping point for people going to Europe.

What impact will the Asean Economic Community have on MINT?

We have been working in the Asean area for so long that to me this is just the next step in its evolution. We've already been aware of importing and doing business within Asean, having offices and operations throughout the region. The AEC is a very positive step in respect of taxation, trade and corporate structures and we are looking forward to it as it will

certainly be good for our business.

How did the floods affect your business?

All of our businesses were affected as seen by our results. The retail business suffered the most as our warehouse in Ayutthaya was flooded and it set us back at least two months because of inventory loss. Our manufacturing unit was affected as well, at Navanakorn, but it is now returned to 70% capacity. Our food business has an enviable track record in growth in total sales and same-store sales; even during the floods when we had to close 150 to 160 stores we were still able to grow 9% year-on-year for that quarter. Our hotels were not physically affected but the losses from cancelled visitors, and postponements of big events at our Bangkok hotels, caused drops of 20% occupancy when the rate should have been at 65%. It was a major impact.

What are the biggest risks facing your business?

Our biggest risks aren't from floods, politics or terrorism, but from the media. They often present a very short-term, negative and not a full representation of events that occur which negatively affect the hospitality business. I am not the least bit worried about the hospitality industry globally as there is still ample growth, and I am not worried about interest rates, oil prices, political problems, natural disasters because we have been through these issues in the past and know how to manage them. I am more concerned by what I have never experienced, whatever it may be. Also we have to cope with the growth of MINT which plans to double in size every three or four years, and our executives have to be able to grow

themselves, recruit and keep great talent.

Where do you see MINT in five years from now?

I expect us keep up our growth rate and it's a very dynamic process because our main growth will come from creating and acquiring intellectual property, while driving The Pizza Company, Anantara, The Coffee Club, Thai Express, Avani and Elewana which are our brands. It's going to take a lot of hard work by our people who are really driving the company but we are confident we can achieve this and be a US\$5-billion company in terms of market capitalisation.

The Executive Q&A Series is presented by ShareInvestor, Asia's leading financial internet media and technology company and the largest investor relations network in the region, with more than 400 listed clients. This interview was conducted by Pon Van Compernelle, editor of www.thaicapitalist.com. For more information, email pon@thaicapitalist.com or howard@shareinvestor.com or visit www.thailistedcompany.com