

Thai Beverage PLC.

2011 Financial Results

Note on Forward Looking Statements

- The following presentation may contain forward looking statements by the management of Thai Beverage Public Company Limited (“ThaiBev”), relating to financial or other trends for future periods, compared to the results for previous periods.
- Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives.
- Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to future performance of ThaiBev. In particular, such targets should not be regarded as a forecast or projection of future performance of ThaiBev. It should be noted that the actual performance of ThaiBev may vary significantly from such targets.

Understanding this Presentation

- Since 1 January 2011, the Company has adopted Thai Financial Reporting Standards (TFRS) in conformity with International Financial Reporting Standards (IFRS). Operation performance report for the period of 2010 has already been restated to comply with the above changes and for comparative purposes
- Current operations by business segments consist of spirits, beer, non-alcoholic beverages and food
- All monetary amounts in millions of Thai Baht unless otherwise stated
- Volumes in millions of liters unless otherwise stated
- EBITDA = Earnings from total revenues before interest expense, income tax, depreciation, and amortization

Highlights

The Acquisition of Serm Suk Public Company Limited

- Thai Beverage Logistics Co., Ltd.(TBL), a direct subsidiary of the Company, acquired Serm Suk Public Company Limited (Serm Suk), a Thai company currently listed on the Stock Exchange of Thailand through a voluntary tender offer for all issued and paid-up common shares during 15 September 2011 to 19 October 2011.
- Serm Suk is principally engaged in the production and distribution of soft drinks, drinking water, soda water and other beverages.
- TBL acquired 64.66% equity interest of Serm Suk at the end of tender offer period, equivalent to 171,923,138 shares at Baht 58 per share for a cash consideration of Baht 9,971.5 million.
- The Company has included the assets and liabilities of Serm Suk in the consolidated statements of financial position. The results of operations and cash flows for the period of 1 October 2011 to 31 December 2011 were included in the consolidated statements of income and cash flows respectively. Serm Suk's operations were recognized under the non-alcoholic beverages business segment.

Update on Flood Situation in Thailand

- In latter part of 2011, key geographic areas of Thailand were severely inundated by major flood. As a result, some of the Company plants and operations were affected and interrupted, especially non-alcoholic beverage facilities in Pathumthani province. The financial impact from flood damages that affected our production facilities and business interruption for the most part are to be mitigated by insurance coverage that contains Industrial All Risks (IAR) and Business Interruption (BI) conditions. The Company booked the initial impact consisting of large financial portion from flood damages and claims in this period. However, the final assessment of damages and claims are still being surveyed and on going.

Dividend Payment

Dividend Payment	2010	2011
Net Profit belonging to the Company (M)	10,612*	12,042
Number of Shares (M)	25,110	25,110
Dividend (M)	8,789	9,291
Less Interim dividend already paid (M)	3,767	3,767
Final dividend (M)	5,022	5,524
Portion of Net Profit	83%	77%
Dividend per share (Baht)	0.35	0.37
Less Interim dividend already paid (Baht)	0.15	0.15
Final dividend (Baht)	0.20	0.22

Note: The net profit belonging to the company in 2010 is the number from previous FY2010 financial statement, which is not restated to comply with Thai Financial Reporting Standards (TFRS)

Consolidated: 2011 Highlights

(M Baht)

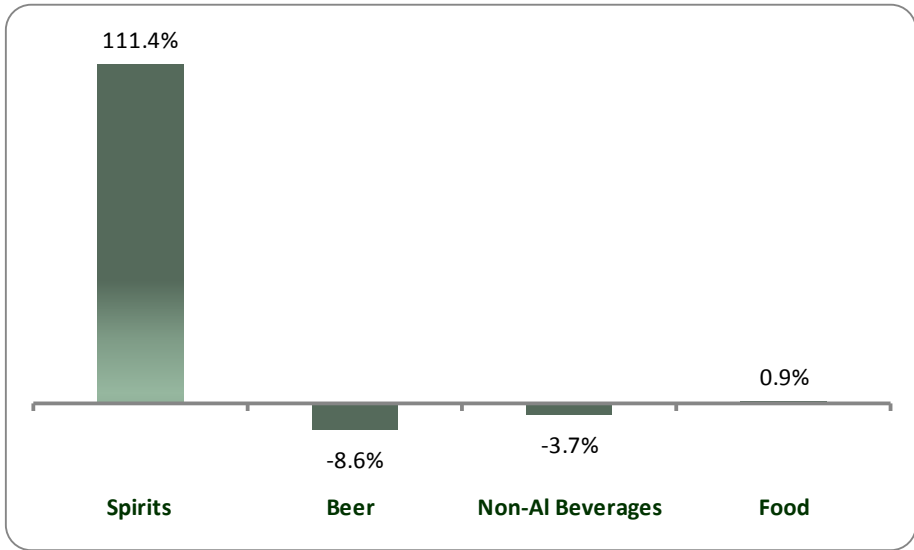
Group	2010	2011	Change
Sales Revenue	120,472	132,186	9.7%
COGS	(89,825)	(97,342)	
<i>% of Sales Revenue</i>	<i>74.6%</i>	<i>73.6%</i>	
SG&A	(15,947)	(17,506)	
<i>% of Sales Revenue</i>	<i>13.2%</i>	<i>13.3%</i>	
EBITDA	19,557	21,238	8.6%
Net Profit	10,659	11,984	12.4%
<i>Less: Non-controlling interests</i>	<i>(108)</i>	<i>58</i>	
Net Profit belonging to the Company	10,551	12,042	14.1%
<u>Margin*</u>			
EBITDA	16.2%	16.1%	
Net Profit	8.8%	9.1%	

* margins are % of sales revenue

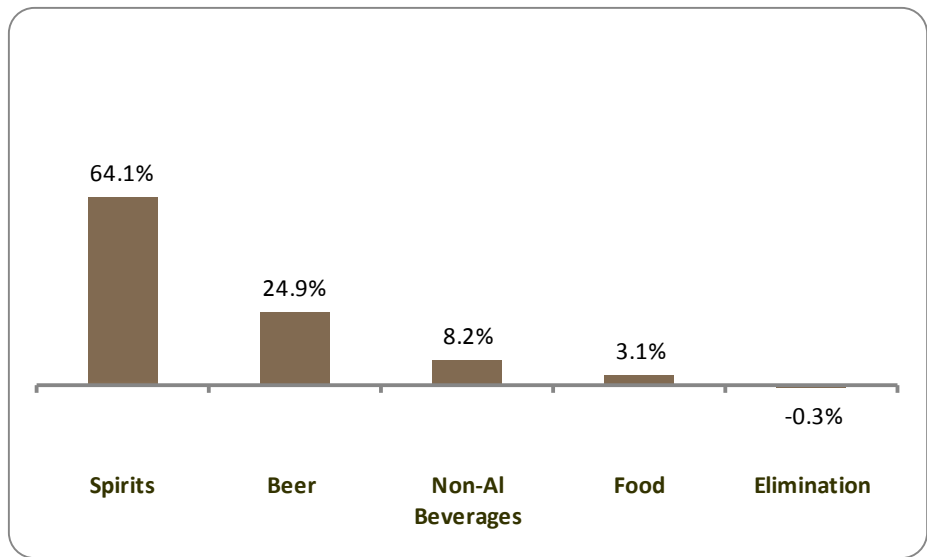
Contribution per Business Segment

2011

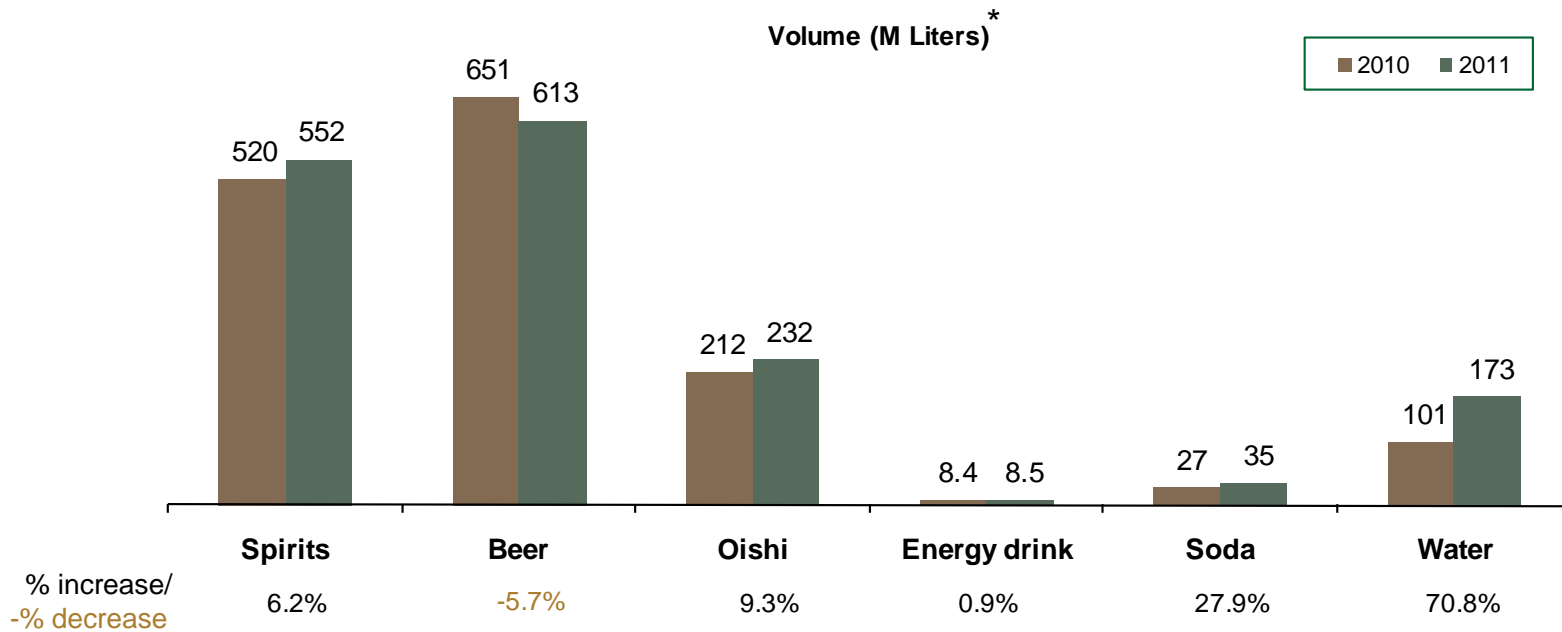
Net Profit



Sales



Total Sales Volume



Note: Sales volume excludes Serm Suk

Business Segments

Spirits

Spirits	2010	2011	Change
Sales Revenue	76,763	84,764	10.4%
COGS	(52,257)	(57,488)	
<i>% of Sales Revenue</i>	<i>68.1%</i>	<i>67.8%</i>	
SG&A	(7,909)	(8,314)	
<i>% of Sales Revenue</i>	<i>10.3%</i>	<i>9.8%</i>	
EBITDA	19,171	20,766	8.3%
Net Profit	11,772	13,355	13.4%
Margin*			
EBITDA	25.0%	24.5%	
Net Profit	15.3%	15.8%	

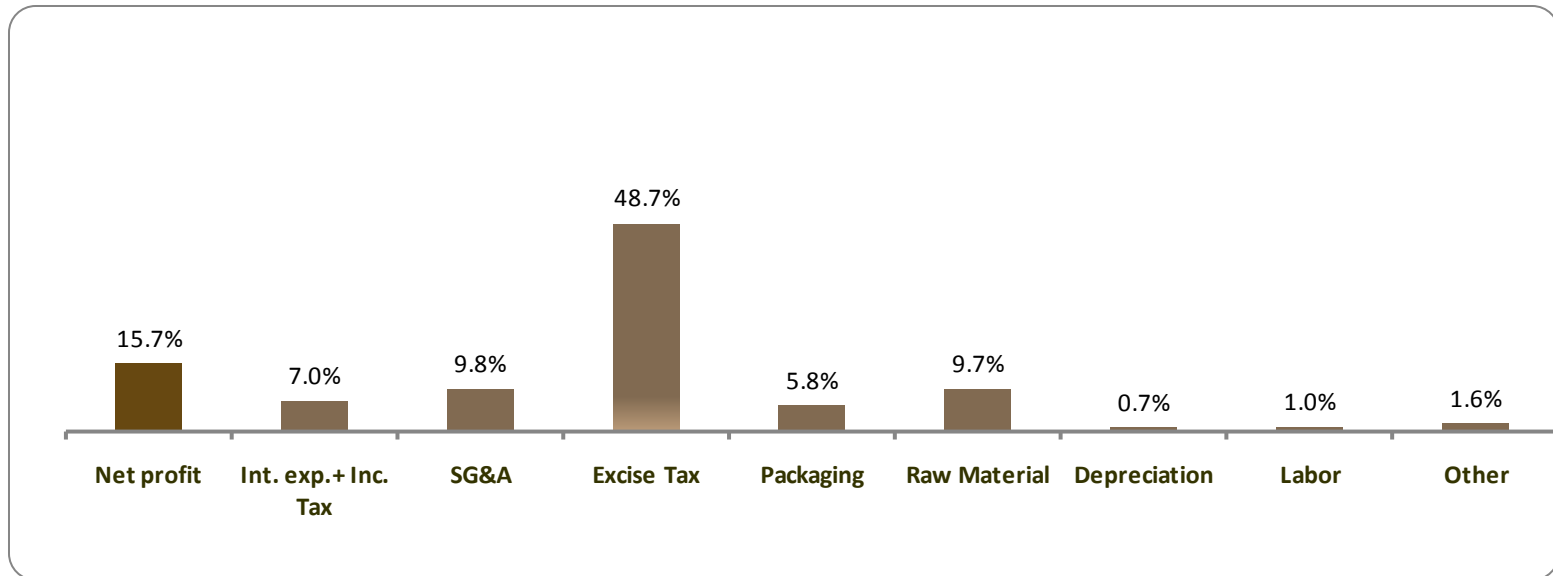
* margins are % of sales revenue

<u>Sales revenue</u>	UP	an increase in sales volume and product mix
<u>COGS (%)</u>	DOWN	a decrease in depreciation
<u>SG&A (%)</u>	DOWN	a decrease in idle cost
<u>EBITDA</u>	UP	an increase in gross profit, a gain on sale of investment properties and a decrease in idle costs
<u>Net Profit</u>	UP	an increase in EBITDA and a decrease in depreciation

Spirits: Revenue-Cost Break Down

(% of total revenue)

2011



Beer

(M Baht)

Beer	2010	2011	Change
Sales Revenue	33,671	32,855	-2.4%
COGS	(30,701)	(29,472)	
<i>% of Sales Revenue</i>	<i>91.2%</i>	<i>89.7%</i>	
SG&A	(5,369)	(4,791)	
<i>% of Sales Revenue</i>	<i>15.9%</i>	<i>14.5%</i>	
EBITDA (Loss)	(690)	(142)	79.4%
Net Profit (Loss)	(1,643)	(1,031)	37.2%
Margin*			
EBITDA (-Loss)	-2.0%	-0.4%	
Net Profit (-Loss)	-4.9%	-3.1%	

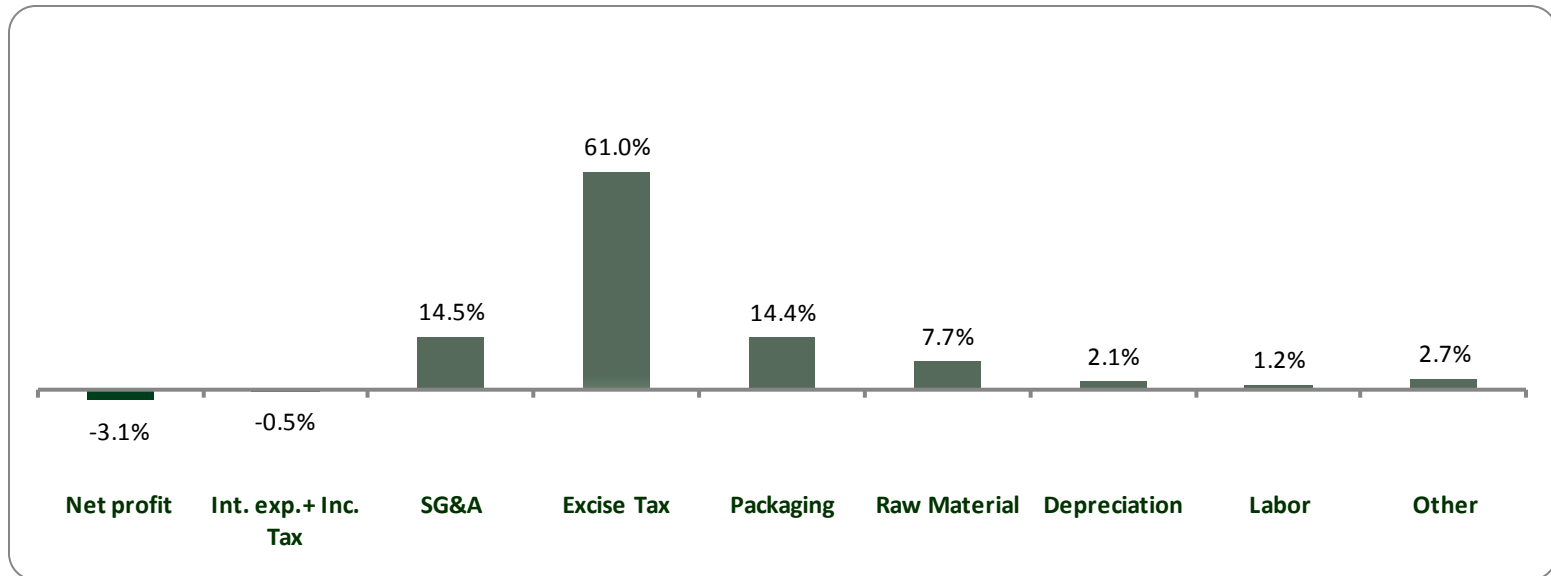
* margins are % of sales revenue

<u>Sales revenue</u>	DOWN	a decrease in sales volume, although there was an increase in net sales price
<u>COGS (%)</u>	DOWN	an increase in net sales price and a decrease in depreciation
<u>SG&A (%)</u>	DOWN	a decrease in marketing expenses
<u>EBITDA Loss</u>	DOWN	an increase in gross profit and a decrease in marketing expenses
<u>Net Loss</u>	DOWN	a decrease in EBITDA loss and a decrease in depreciation

Beer: Revenue-Cost Break Down

(% of total revenue)

2011



Non-alcoholic Beverages

Non-alcoholic Beverages	2010	2011	Change	(M Baht)
Sales Revenue	6,487	10,862	67.4%	
COGS	(4,787)	(8,281)		
<i>% of Sales Revenue</i>	<i>73.8%</i>	<i>76.2%</i>		
SG&A	(1,445)	(3,020)		
<i>% of Sales Revenue</i>	<i>22.3%</i>	<i>27.8%</i>		
EBITDA	664	195	-70.6%	
Net Profit (Loss)	369	(447)	-221.1%	
<u>Margin*</u>				
EBITDA	10.2%	1.8%		
Net Profit (-Loss)	5.7%	-4.1%		

* margins are % of sales revenue

<u>Sales revenue</u>	UP	inclusion of Serm Suk beverage sales and an increase of Oishi's beverage sales volume
<u>COGS (%)</u>	UP	a decrease in net sales price, product mix, and an increase in raw material cost
<u>SG&A (%)</u>	UP	an inclusion of Serm Suk's SG&A
<u>EBITDA</u>	DOWN	an impact from severe flooding at two non-alcoholic beverage facilities in Pathumthani province and an associate's preform plant in Lopburi province. These plants were not able to operate at a normal level but have to absorb a burden of fixed cost
<u>Net Loss</u>	UP	a decrease in EBITDA and an increase in interest expenses from loans to support acquisition of Serm Suk

Non-alcoholic Beverages

	Thaibev	Serm Suk	Total	(M Baht)
Year 2011				
Sales	6,712	4,150	10,862	
Gross profit	1,828	753	2,581	
EBITDA (Loss)	308	(113)	195	
Net profit (Loss)	(46)	(401)	(447)	
Year 2010				
Sales	6,487	-	6,487	
Gross profit	1,700	-	1,700	
EBITDA (Loss)	664	-	664	
Net profit (Loss)	369	-	369	
% increase (decrease)				
Sales	3.5	n/a	67.4	
Gross profit	7.3	n/a	51.8	
EBITDA (Loss)	(53.6)	n/a	(70.6)	
Net profit (Loss)	(112.4)	n/a	(221.1)	

For the year 2011, the Company has included Serm Suk operation results for the period of 1 October 2011 to 31 December 2011 in the non-alcoholic beverages business segment

Food

Food	2010	2011	Change
Sales Revenue	3,639	4,126	13.4%
COGS	(2,179)	(2,512)	
<i>% of Sales Revenue</i>	<i>59.9%</i>	<i>60.9%</i>	
SG&A	(1,255)	(1,443)	
<i>% of Sales Revenue</i>	<i>34.5%</i>	<i>35.0%</i>	
EBITDA	412	419	1.7%
Net Profit	161	107	-33.5%
<u>Margin*</u>			
EBITDA	11.3%	10.2%	
Net Profit	4.4%	2.6%	

(M Baht)

* margins are % of sales revenue

<u>Sales revenue</u>	UP	an increase in the total size of branches and an increase in sales price
<u>COGS (%)</u>	UP	an increase in food costs due to variety of foods and an increase in raw material cost
<u>SG&A (%)</u>	UP	an increase in branch rental fees and staffs costs
<u>EBITDA</u>	UP	an increase in gross profit although there was an increase in branch rental fees and staffs costs
<u>Net Profit</u>	DOWN	an impact from tax although there was an increase in EBITDA

Update: International Business

In 2011, ThaiBev's international business saw sales growth of 25%, when compared YoY, mainly attributable to the growth of Scotch whisky business and Chang Beer. The increase in sales, partially offset by an increase in marketing spending to build brand equity in key markets, resulted in the increase in net profit of international business.

The performance of business by geographic area:

- ASEAN
 - Good performance was mainly driven by Chang Beer, with an increase in sales value of 58%
- USA
 - This region saw 19% sales growth, mainly driven by the growth of Scotch whisky
- UK & Rest of the World
 - The continued growth in current key markets and the introduction of Scotch whisky and other new products into new markets and helped boosting the sales of this region to rise by 24%
- CHINA
 - Sales of Chinese spirits rose 11%, contributed by expanded sales coverage and sales growth in key areas in Yunnan

Financials

Balance Sheet

(M Baht)

Balance Sheet	31-Dec-10	31-Dec-11			Change	
		ThaiBev	Serm Suk	Adjustment		Total
<i>(Million Baht)</i>						
Assets						
Current assets	35,189	41,245	5,046	(21)	46,270	11,081
Non-current assets	41,844	50,595	8,898	(5,871)	53,622	11,778
Total assets	77,033	91,840	13,944	(5,892)	99,892	22,859
Liabilities						
Total liabilities	20,152	31,547	4,849	(21)	36,375	16,223
Shareholders' Equity						
Total equity	56,881	60,293	9,095	(5,871)	63,517	6,636

Note: As at the end of December 2011, the Company has included the assets and liabilities of Serm Suk in the consolidated statement of financial position

<u>Current assets</u>	UP	an increase in inventories
<u>Non-current assets</u>	UP	an increase in property, plant and equipment, and goodwill from acquisition of Serm Suk
<u>Total liabilities</u>	UP	an increase in loans from financial institutions to purchase shares of Serm Suk and employee benefit obligations
<u>Total equity</u>	UP	an increase in non-controlling interest from acquisition of Serm Suk and an increase in net retained earning which comprised of profit for the period and dividend payment

Interest Bearing Debt

Interest Bearing Debt	31-Dec-10	31-Dec-11
<i>(Million Baht)</i>		
Current		
Bank overdrafts	568	378
Short-term loans from financial institutions	5,694	4,849
Current portion of long-term loans	2,500	1,800
	8,762	7,027
Non-current		
Long-term loans from financial institutions	600	11,200
Total	9,362	18,227
Cash and cash equivalents	3,359	3,442
Net Interest Bearing Debt	6,003	14,785

Note

- Long-term loans from financial institutions increased because the Company raised money to pay for the acquisition of 64.66% shares of Serm Suk.

Financial Ratios

Ratios	31-Dec-10	31-Dec-11
Current Ratio (times)	1.92	2.17
Total Debt to Equity (times)	0.35	0.57
Net Asset Value per Share (Baht)	2.25	2.39
Net Asset Value per Share (SGD)*	0.09	0.10

* exchange rate at THB 24: SGD 1

Turnovers (days)	Jan-Dec 10	Jan-Dec 11
A/R Turnover	6	7
Inventory Turnover		
<u>Spirits Business</u>		
Finished Goods (exc. Legacy Stocks)	53	48
<u>Beer Business</u>		
Finished Goods	27	26

<u>Current Ratio</u>	UP	an increase in inventories and receivables
<u>Total Debt to Equity</u>	UP	an increase in loans from financial institutions

Note: use 365 days to calculate turnover

Q&A