

Thai Beverage PLC.

2010 Financial Results

23 FEB 2011

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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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

- Current operations by business segments consist of spirits, beer, non-alcoholic beverages and food
- The Company acquired Yunnan Yulinquan Liquor Co. Ltd., a spirits distillery in People's Republic of China, in the fourth quarter of 2009 through an indirect subsidiary in Hong Kong at a total consideration of RMB 69 million. The operation of this company was included in the spirits business segment since the fourth quarter ended 31 December 2009 onwards
- 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

Dividend Payment

Dividend Payment	2009	2010
Net Profit belonging to the Company (M)	10,566	10,612
Number of Shares (M)	25,110	25,110
Dividend (M)	8,286	8,789
Less Interim dividend already paid (M)	3,767	3,767
Final dividend (M)	4,519	5,022
Portion of Net Profit	78%	83%
Dividend per share (Baht)	0.33	0.35
Less Interim dividend already paid (Baht)	0.15	0.15
Final dividend (Baht)	0.18	0.20

Consolidated: 2010 Highlights

(Million Baht)

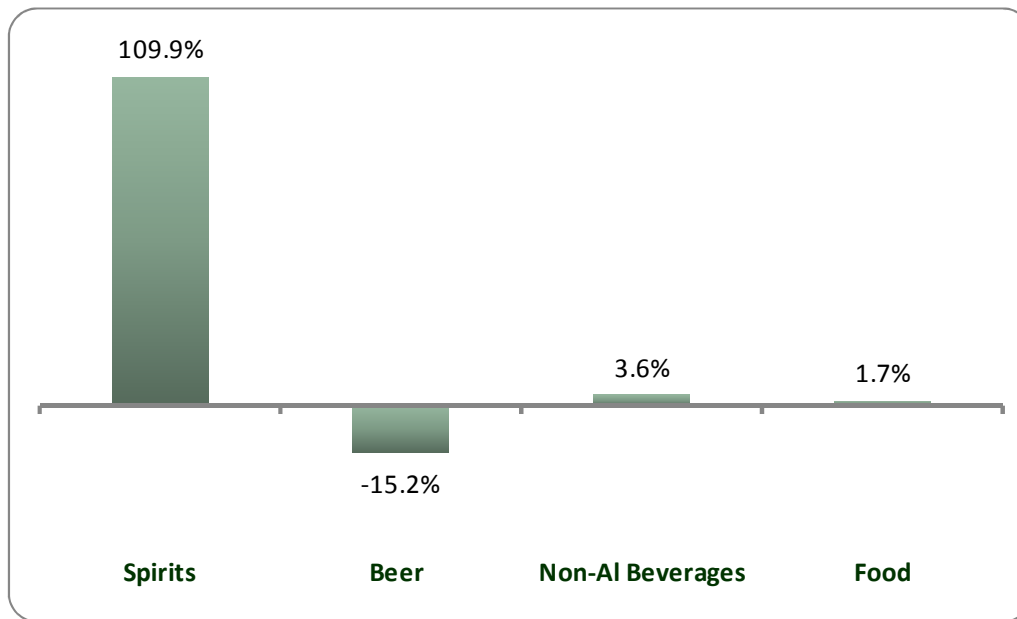
Group	2009	2010	Change
Sales Revenue	107,969	121,361	12.4%
COGS	(76,609)	(88,097)	
<i>% of Sales Revenue</i>	<i>71.0%</i>	<i>72.6%</i>	
SG&A	(16,095)	(18,574)	
<i>% of Sales Revenue</i>	<i>14.9%</i>	<i>15.3%</i>	
EBITDA	19,911	19,556	-1.8%
Net Profit	10,643	10,721	0.7%
<i>Less: Minority interests</i>	<i>(77)</i>	<i>(109)</i>	
Net Profit belonging to the Company	10,566	10,612	0.4%
<u>Margin*</u>			
EBITDA	18.4%	16.1%	
Net Profit	9.9%	8.8%	

* margins are % of sales revenue

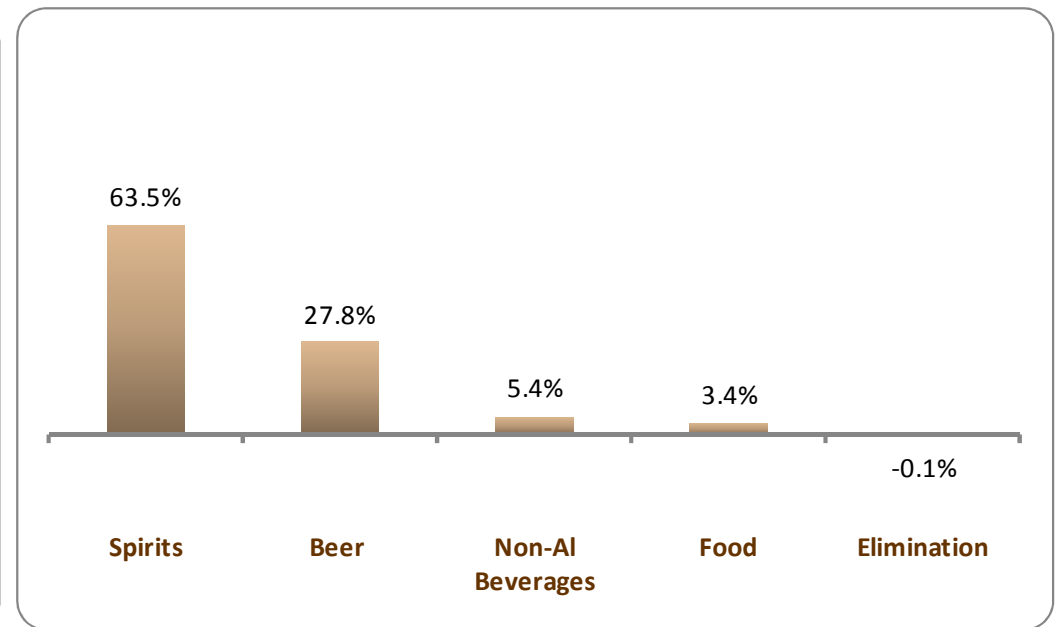
Contribution per Business Segment

2010

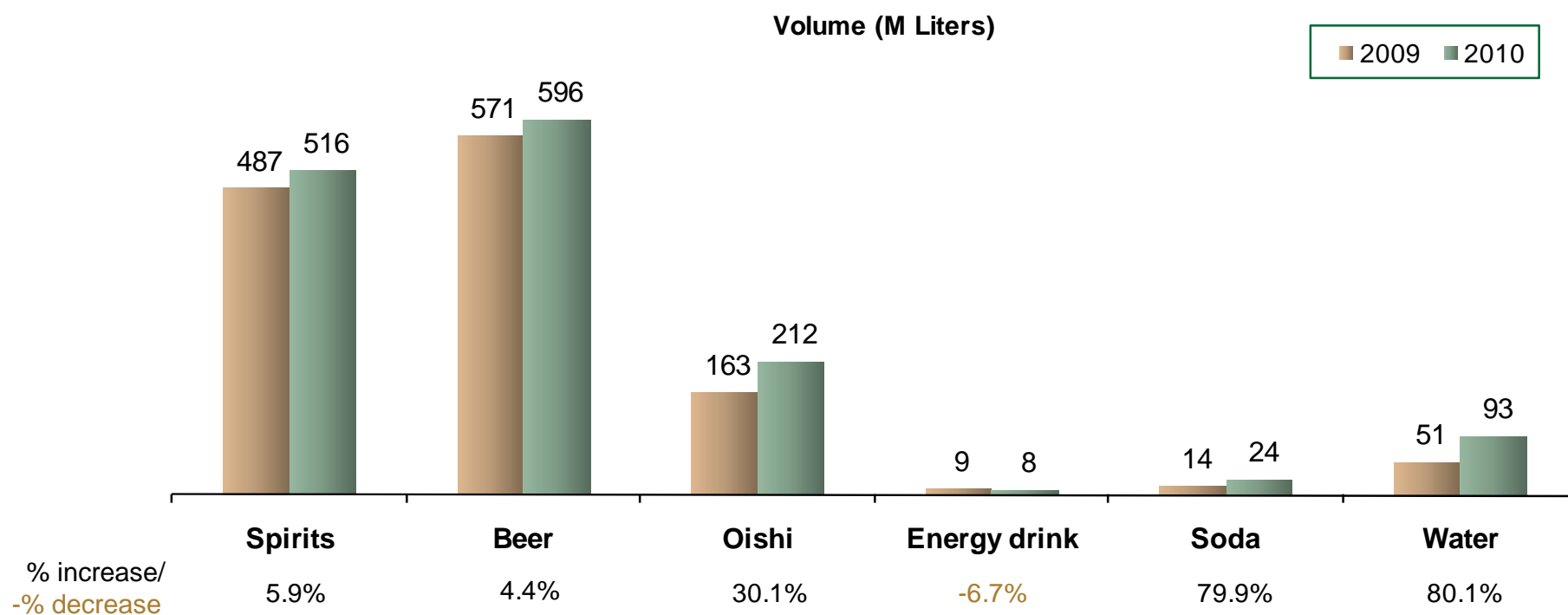
Net Profit



Sales



Total Sales Volume



Business Segments

Spirits

Spirits	2009	2010	Change (M Baht)
Sales Revenue	69,733	77,034	10.5%
COGS	(45,540)	(52,046)	
<i>% of Sales Revenue</i>	<i>65.3%</i>	<i>67.6%</i>	
SG&A	(7,611)	(8,391)	
<i>% of Sales Revenue</i>	<i>10.9%</i>	<i>10.9%</i>	
EBITDA	19,024	19,171	0.8%
Net Profit	11,636	11,784	1.3%
<u>Margin*</u>			
EBITDA	27.3%	24.9%	
Net Profit	16.7%	15.3%	

* margins are % of sales revenue

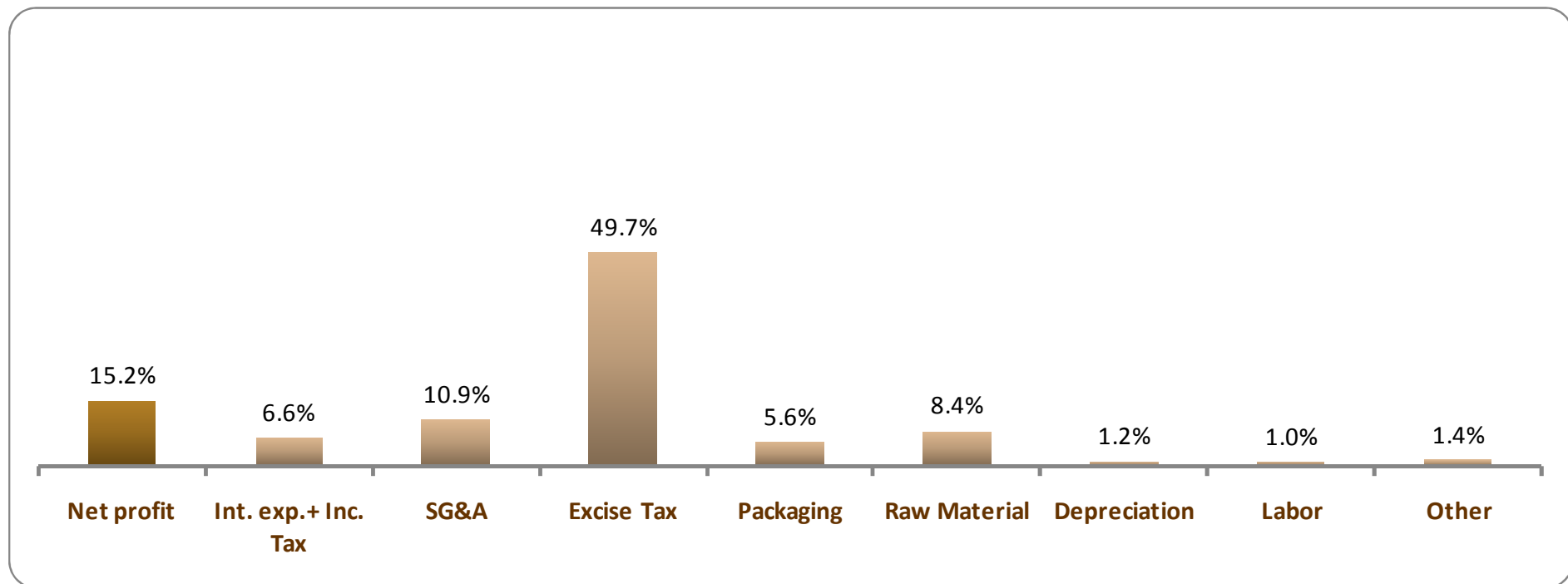
<u>Sales revenue</u>	UP	an increase in sales volume and sales price to cover excise tax rise in May 2009
<u>COGS (%)</u>	UP	an increase in raw material cost
<u>SG&A (%)</u>	-	no change
<u>EBITDA</u>	UP	an increase in gross profit
<u>Net Profit</u>	UP	an increase in EBITDA and a decrease in interest expenses



Spirits: Revenue-Cost Break Down

(% of total revenue)

2010



Beer

Beer	2009	2010	Change (M Baht)
Sales Revenue	30,196	33,729	11.7%
COGS	(25,930)	(28,812)	
<i>% of Sales Revenue</i>	<i>85.9%</i>	<i>85.4%</i>	
SG&A	(6,587)	(7,321)	
<i>% of Sales Revenue</i>	<i>21.8%</i>	<i>21.7%</i>	
EBITDA (Loss)	(403)	(690)	-71.2%
Net Profit (Loss)	(1,632)	(1,628)	0.2%
<u>Margin*</u>			
EBITDA (-Loss)	-1.3%	-2.0%	
Net Profit (-Loss)	-5.4%	-4.8%	

* margins are % of sales revenue

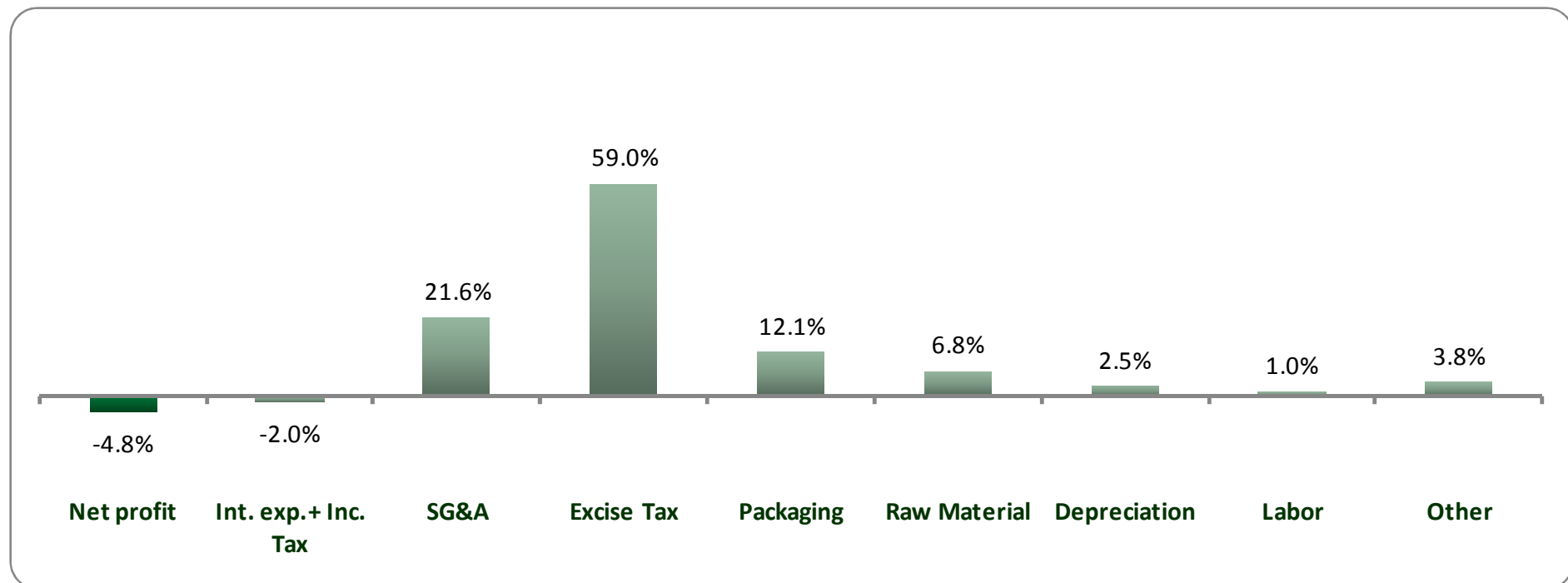
<u>Sales revenue</u>	UP	an increase in sales volume, and sales price to cover excise tax rise in May 2009
<u>COGS (%)</u>	DOWN	a decrease in packaging costs
<u>SG&A (%)</u>	DOWN	a decrease in idle costs, although sales promotion expenses increased
<u>EBITDA (Loss)</u>	UP	an increase in sales promotion expenses
<u>Net Loss</u>	DOWN	an income tax impact, and a decrease in interest expenses



Beer: Revenue-Cost Break Down

(% of total revenue)

2010



Non-alcoholic Beverages

Non-alcoholic Beverages	2009	2010	Change
Sales Revenue	4,916	6,611	34.5%
COGS	(3,130)	(4,722)	
<i>% of Sales Revenue</i>	<i>63.7%</i>	<i>71.4%</i>	
SG&A	(1,210)	(1,637)	
<i>% of Sales Revenue</i>	<i>24.6%</i>	<i>24.7%</i>	
EBITDA	965	664	-31.2%
Net Profit	488	379	-22.3%
<u>Margin*</u>			
EBITDA	19.6%	10.0%	
Net Profit	9.9%	5.7%	

* margins are % of sales revenue

<u>Sales revenue</u>	UP	an increase of Oishi beverages, soda and water sales
<u>COGS (%)</u>	UP	change in product mix of Oishi created higher cost, and increase in raw material cost
<u>SG&A (%)</u>	UP	an increase in advertising and marketing expenses
<u>EBITDA</u>	DOWN	an increase in SG&A
<u>Net Profit</u>	DOWN	a decrease in EBITDA although there was a decrease in interest expenses



Food

Food	2009	2010	Change (M Baht)
Sales Revenue	3,298	4,075	23.6%
COGS	(2,054)	(2,616)	
<i>% of Sales Revenue</i>	<i>62.3%</i>	<i>64.2%</i>	
SG&A	(1,093)	(1,255)	
<i>% of Sales Revenue</i>	<i>33.2%</i>	<i>30.8%</i>	
EBITDA	325	411	26.5%
Net Profit	151	186	23.2%
<u>Margin*</u>			
EBITDA	9.9%	10.1%	
Net Profit	4.6%	4.6%	

* margins are % of sales revenue

<u>Sales revenue</u>	UP	an increase in the number of branches and an increase in selling price
<u>COGS (%)</u>	UP	an increase in food costs due to variety of foods
<u>SG&A (%)</u>	DOWN	sales growth is higher than the increase in SG&A
<u>EBITDA</u>	UP	an increase in gross profit
<u>Net Profit</u>	UP	an increase in EBITDA and a decrease in interest expenses



Update: International Business

The performance of international business grew 35% in 2010, as all regions grew strongly behind our Chang Beer and Scotch whisky brands.

- ASEAN
 - ASEAN performance was driven by Chang Beer sales which increased by 79%, with continuing market support behind the brand

- USA
 - USA performance of Chang beer was satisfactory, backed by improvement in sales channels and the increase in marketing activities. The Company introduced the Scotch whisky portfolio to US market in late 2009, and started to see the momentum in volume growth in this market in 2010

- UK & Rest of the World
 - IBHL UK and the rest of the world continued to perform well in 2010. The Scotch whisky portfolio was expanded to Eastern European countries and Russia with high growth potential

- CHINA
 - Yunnan Yulinquan Liquor Co. Ltd (YLQ) operations in China showed an improvement in profitability and margin from its focus on mid-to-high tier brands

Financials

Interest Bearing Debt

Interest Bearing Debt	31-Dec-09	31-Dec-10
<i>(Million Baht)</i>		
Current		
Bank overdrafts	655	568
Short-term loans from financial institutions	5,063	5,694
Current portion of long-term loans	3,765	2,500
	9,483	8,762
Non-current		
Long-term loans from financial institutions	2,500	600
	2,500	600
Total	11,983	9,362
Cash and cash equivalents	2,590	3,359
Net Interest Bearing Debt	9,393	6,003

Financial Ratios

Ratios	31-Dec-09	31-Dec-10
Current Ratio	1.85	1.91
Total Debt to Equity	0.37	0.33
Net Asset Value per Share (Baht)	2.24	2.31
Net Asset Value per Share (SGD)*	0.09	0.10

* exchange rate at THB 24: SGD 1

Turnovers (days)	Jan-Dec 09	Jan-Dec 10
A/R Turnover	6	6
Inventory Turnover		
<u>Spirits Business</u>		
Finished Goods (exc. Legacy Stocks)	59	49
<u>Beer Business</u>		
Finished Goods	40	27

Current ratio UP increase in inventories

Note: use 365 days to calculate turnover

Q&A