

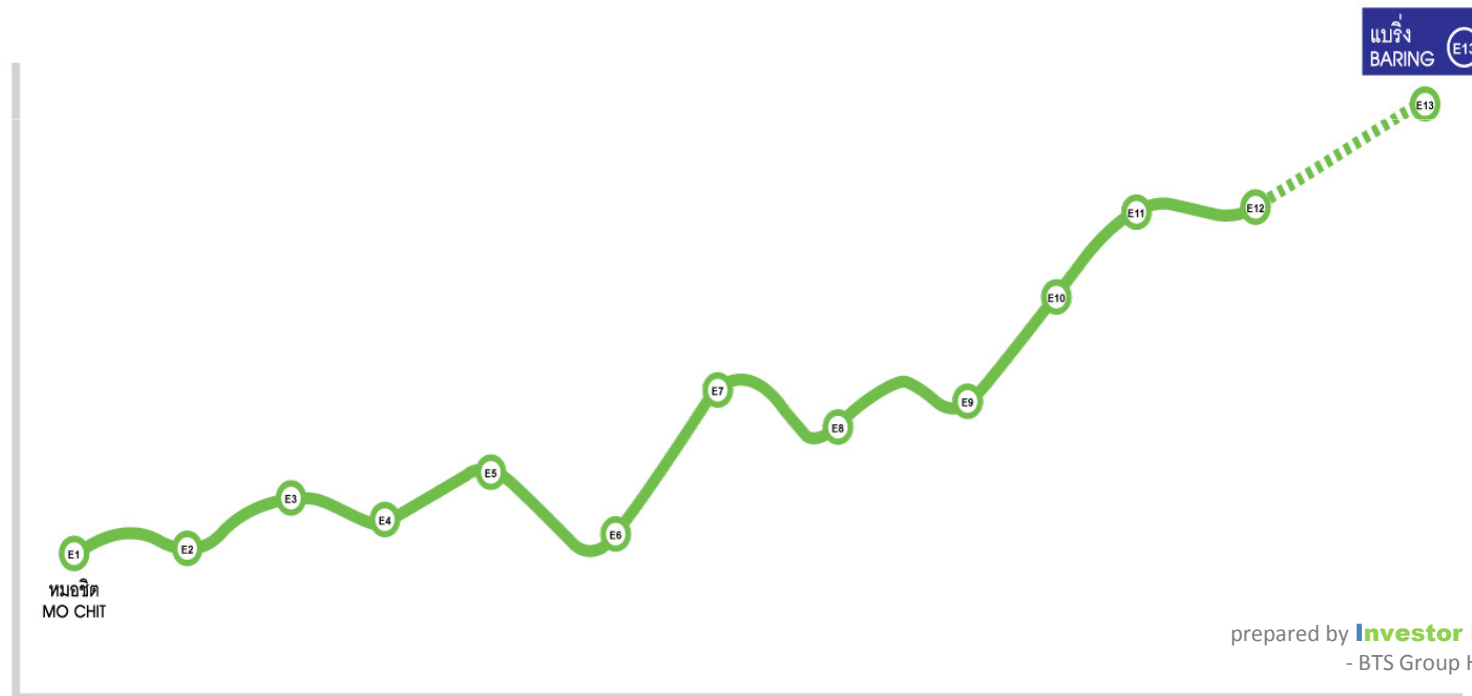
Demonstrated Growth and Resilience . . .  
.....Even during adverse times



# BTS Group Holdings PCL

## 3Q 11/12 earnings presentation

16 February 2012



prepared by **Investor Relations** department  
- BTS Group Holdings PCL -

# Disclaimer

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# 3Q 11/12 Overview

Operating EBITDA increased 54.6% YoY to THB 1.07bn

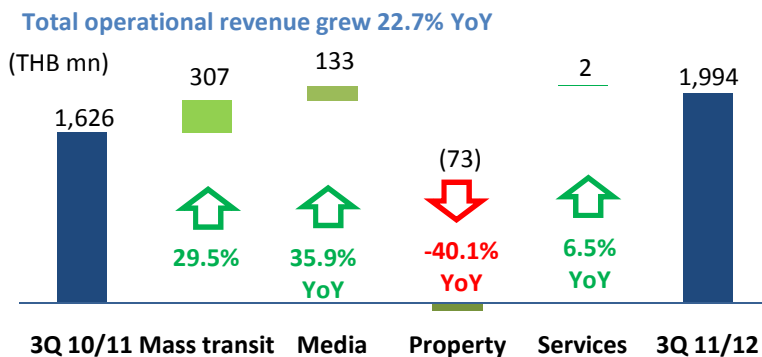


## P&L snapshot 3Q 11/12 (THB mn)

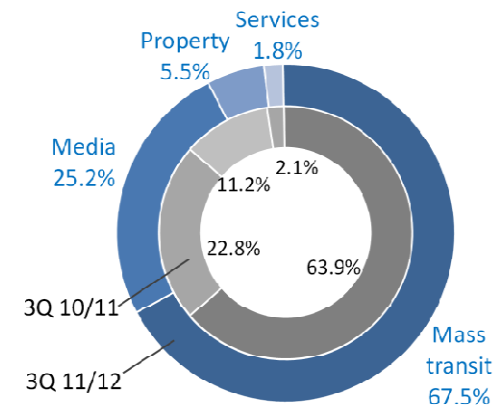
Income Statement (THB mn)	3Q 11/12	3Q 10/11	% YoY
Operating Revenues	1,994	1,626	22.7%
Gross profits	946	700	35.1%
EBITDA	1,124	724	55.3%
Operating EBITDA	1,068	691	54.6%
Net income(loss)*	329	12	2,641.7%
Gross Profit Margin (%)	47.4%	43.1%	
EBITDA margin (%) <b>a</b>	56.4%	44.5%	
Operating EBITDA margin (%) <b>b</b>	53.6%	42.5%	
Net profit margin (%)	16.5%	0.7%	

\*to equity holders of the parent

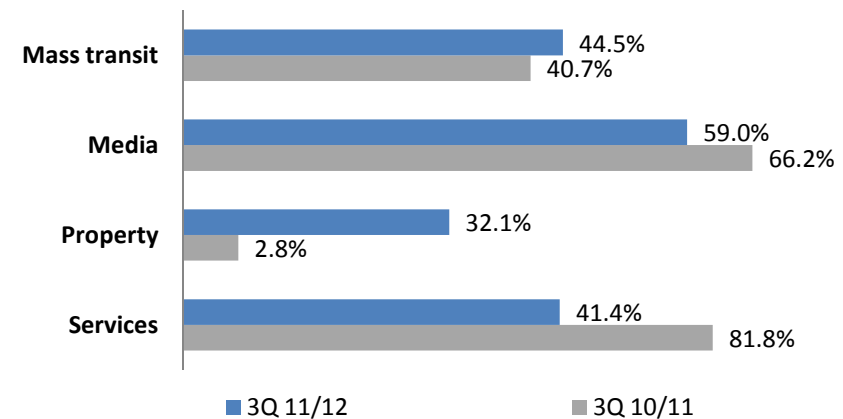
## Revenue comparison (YoY)



## Operating revenue 3Q 11/12



## Gross profit margin (%) by unit



**a** Includes non-recurring revenue and expenses  
**b** Based on operating and recurring revenue only

# 3Q 11/12 Highlights

## Another record quarter for Mass Transit business



### Major developments by business unit in 3Q 11/12

#### Mass transit

- ❖ **Strong YoY revenue growth:** revenue grew 29.5% YoY to THB 1,345.5mn, surpassing previous quarterly record.
- ❖ **Resilient QoQ performance:** revenue increased 1.5% QoQ to THB 1,345.5mn in 3Q 11/12 in spite of flood effect
- ❖ **Improving Profit margin:** Operating EBITDA margin improved strongly YoY to 64.3% compared to 55.1%



#### Media

- ❖ **Strong YoY revenue growth:** revenue grew 35.9% YoY to THB 503.5mn from both BTS and non-BTS business
- ❖ **Some margin contraction:** YoY decline in margin attributable to higher proportion of modern trade business as well as higher event production costs



#### Property

- ❖ **Lower revenue, higher profit margin;** Property revenue fell 28.1% but gross profit margin increased YoY due to completion of Baan Aur Athorn projects in 2Q 11/12
- ❖ Another 15 units of **Abstracts** Sukhumvit 66/1 transferred however all new sales slowed significantly due to Bangkok flooding



#### Services

- ❖ Absolute Hotel Services: 8 new hotel management contracts have been acquired
- ❖ Bangkok SmartCard: Internal trial run initiated



# Mass Transit

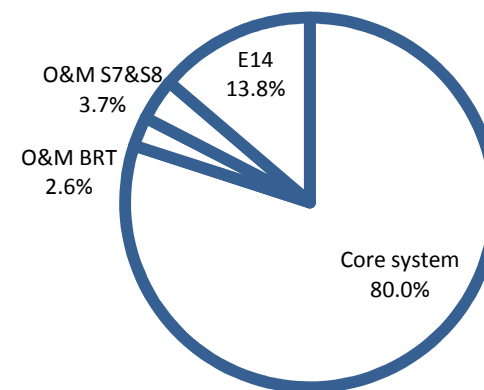
Revenue jumped 29.5% YoY to THB 1,345.5mn



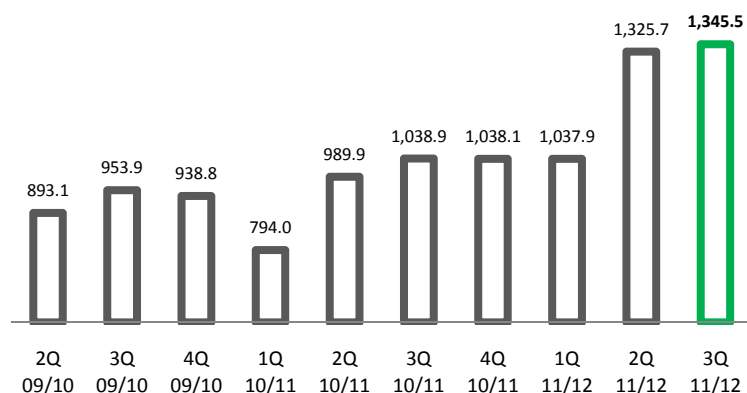
## Performance

Mass transit (THB mn)	3Q 11/12	3Q 10/11	YoY	2Q 11/12	QoQ
Revenue	1,345.5	1,038.9	29.5%	1,325.7	1.5%
Costs of revenue	746.7	616.2	21.2%	679.5	9.9%
Gross Profit	598.7	422.7	41.6%	646.2	-7.4%
EBIT	467.6	268.3	74.3%	531.8	-12.1%
<b>Operating EBITDA</b>	<b>865.7</b>	<b>572.1</b>	<b>51.3%</b>	<b>902.5</b>	<b>-4.1%</b>
Gross margin (%)	44.5%	40.7%		48.7%	
EBIT margin (%)	34.8%	25.8%		40.1%	
Operating EBITDA margin (%)	64.3%	55.1%		68.1%	

## Revenue breakdown



## Historical revenue (THB mn)



## Key factors

- YoY factors: 9.6% increase in ridership (to 43.5mn passengers), 240% increase in O&M revenue, 2.3% increase in average fare to THB 24.75 per trip.
- QoQ factors: 3.6% decline in ridership offset by 2.6% increase in average fare, 13.5% increase in O&M revenue. **In spite of flood effect, revenue increased 1.5% QoQ to THB 1,345.5mn in 3Q 11/12**
- O&M and pre-operating revenue accounted for 20% of mass transit revenue in 3Q 11/12

# Media

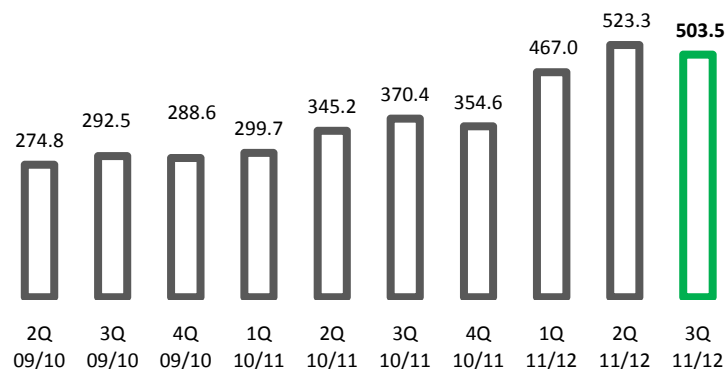
Impressive YoY growth in BTS and non-BTS business



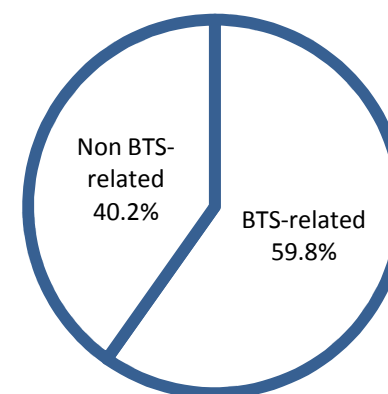
## Performance

Media (THB mn)	3Q 11/12	3Q 10/11	YoY	2Q 11/12	QoQ
Revenue	503.5	370.4	35.9%	523.3	-3.8%
Costs of revenue	206.3	125.4	67.2%	193.6	6.6%
Gross Profit	297.2	245.1	20.3%	329.7	-9.9%
EBIT	225.2	189.8	18.7%	261.9	-14.0%
<b>Operating EBITDA</b>	<b>256.6</b>	<b>212.3</b>	<b>20.8%</b>	<b>292.8</b>	<b>-12.4%</b>
Gross margin (%)	59.0%	66.7%		63.0%	
EBIT margin (%)	44.7%	51.2%		50.1%	
Operating EBITDA margin (%)	51.0%	57.3%		56.0%	

## Historical revenue (THB mn)



## Revenue breakdown



## Key factors

- **YoY growth** in revenue and profitability attributable to both
  - growth in BTS (higher occupancy, additional cars) and
  - non BTS business (additional contracts from modern trade)
- **QoQ fall in revenue** fall of 3.8% attributable to **flooding** that impacted the modern trade business
- BTS related revenue actually increased 4.4% QoQ

# Property

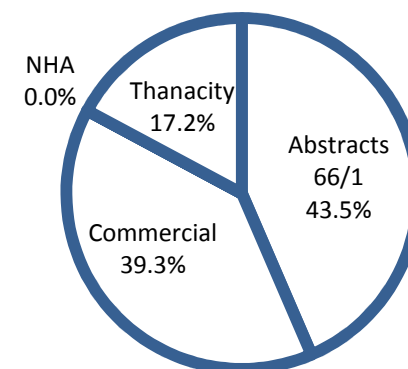
Revenue fell 28.1% due to completion of NHA project



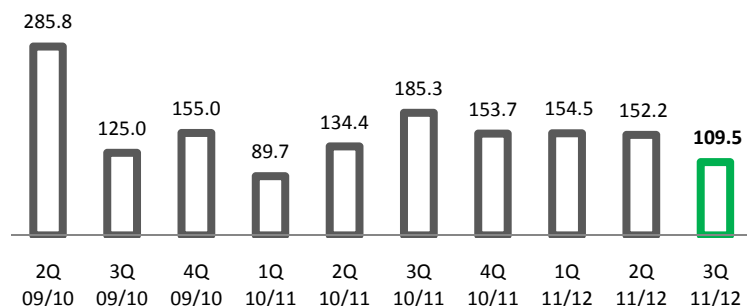
## Performance

Property (THB mn)	3Q 11/12	3Q 10/11	YoY	2Q 11/12	QoQ
Revenue	109.5	182.7	-40.1%	152.2	-28.1%
Costs of revenue	74.4	177.5	-58.1%	126.6	-41.3%
Gross Profit	35.1	5.2	578.5%	25.6	37.3%
EBIT	(39.4)	(72.3)	45.5%	(50.3)	-21.6%
<b>Operating EBITDA</b>	<b>(17.6)</b>	<b>(50.4)</b>	<b>65.1%</b>	<b>(29.2)</b>	<b>-39.7%</b>
Gross margin (%)	32.1%	2.8%		16.8%	
EBIT margin (%)	-36.0%	-39.6%		-33.1%	
Operating EBITDA margin (%)	-16.1%	-27.6%		-19.2%	

## Revenue breakdown



## Historical revenue (THB mn)



## Key factors

- **Absence of NHA project** led to:-
  - Property revenue fell by 28.1% QoQ and
  - Gross profit margin increasing to 19.2% as the Group completed Baan Aur Athorn project in 2Q 11/12
- 15 units of Abstracts Sukhumvit 66/1 transferred contributing THB 48.2mn in 3Q 11/12
- Revenue from Commercial property stable QoQ

# Services

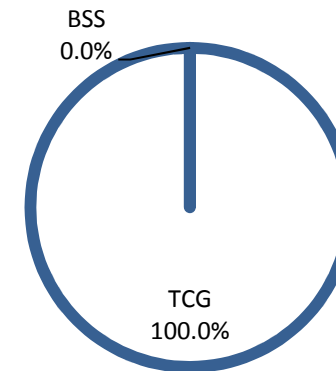
## Stable contribution from Thana City Golf



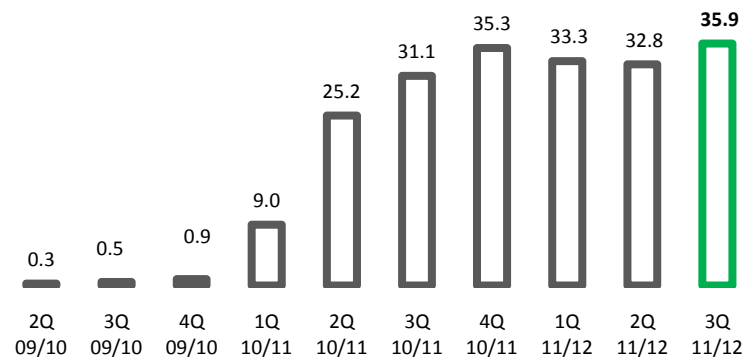
### Performance

Service (THB mn)	3Q 11/12	3Q 10/11	YoY	2Q 11/12	QoQ
Revenue	35.9	33.7	6.5%	32.8	9.4%
Costs of revenue	21.0	6.1	241.9%	17.0	23.8%
Gross Profit	14.9	27.6	-46.1%	15.8	-6.0%
EBIT	(10.0)	4.8	-307.5%	(4.0)	148.2%
<b>Operating EBITDA</b>	<b>(6.4)</b>	<b>4.9</b>	<b>-230.4%</b>	<b>1.2</b>	<b>-631.6%</b>
Gross margin (%)	41.4%	81.8%		48.2%	
EBIT margin (%)	-27.7%	14.2%		-12.2%	
Operating EBITDA margin (%)	-17.8%	14.6%		3.7%	

### Revenue breakdown



### Historical revenue (THB mn)



### Key factors

- Revenue from Thana City Golf remain stable QoQ at THB 35.9mn ( representing 9.4% QoQ and 6.5% YoY increases)
- Division made slight operating loss due to investment by BSS in common ticketing system

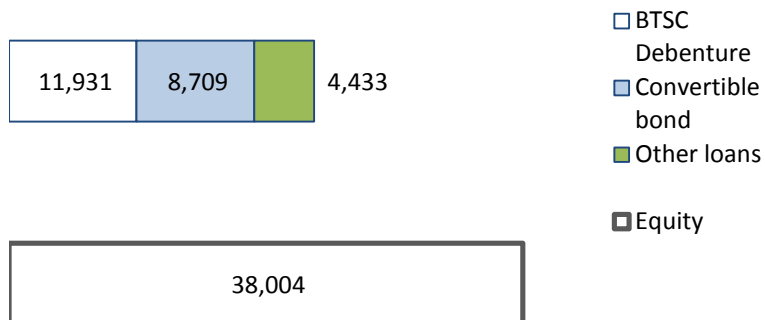


# Capital structure

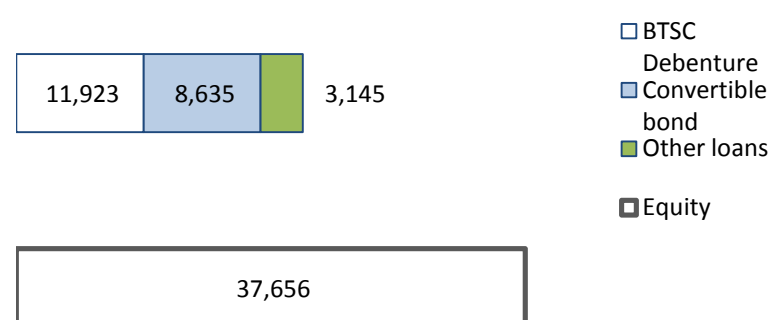
Net debt to equity ratio at 31 Dec 11 = 0.62x (0.60x at 30 Sep 2011)



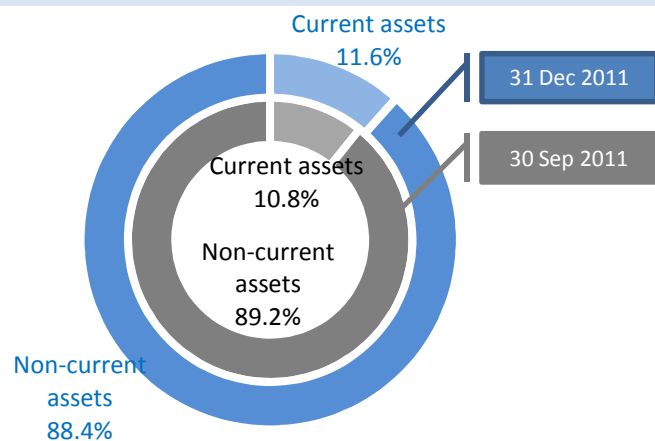
## 31 Dec 2011



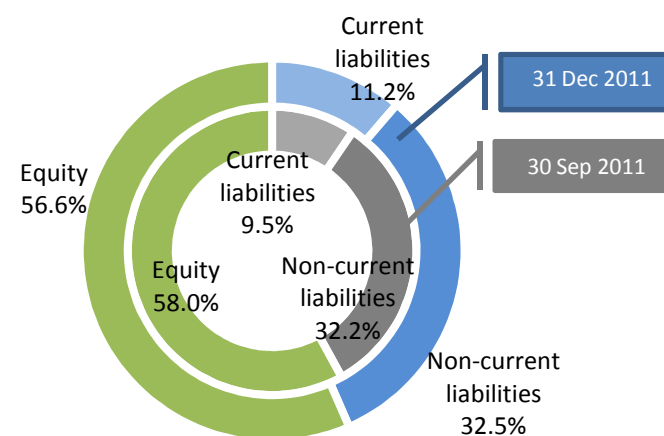
## 30 Sep 2011



## Assets breakdown



## Liabilities and equity breakdown



# Summary of income statement



## 3Q 11/12 income statement (THB mn)

Income Statement (THB mn)	3Q 11/12	3Q 10/11	% YoY	2Q 11/12	% QoQ
Operating revenue	1,994.3	1,625.7	22.7%	2,033.9	-1.9%
Other recurring income	84.0	60.4	39.1%	45.0	86.7%
<b>Total recurring revenue</b>	<b>2,078.3</b>	<b>1,686.1</b>	<b>23.3%</b>	<b>2,078.9</b>	0.0%
Operating costs	1,050.8	927.3	13.3%	1,016.6	3.4%
Selling and Administrative expenses	338.0	359.3	-5.9%	326.3	3.6%
Income (loss) from investment in associates	0.4	0.5	-20.9%	0.2	57.2%
<b>EBITDA</b>	<b>1,123.9</b>	<b>724.1</b>	<b>55.2%</b>	<b>2,137.1</b>	-47.4%
<b>Operating EBITDA</b>	<b>1,068.2</b>	<b>690.9</b>	<b>54.6%</b>	1,125.0	-5.0%
Finance cost	357.4	343.8	3.9%	355.5	0.5%
Non-operating gain (loss) <sup>c</sup>	52.9	3.4	1454.6%	1,008.7	-94.8%
<b>EBT</b>	<b>385.4</b>	<b>59.6</b>	<b>547.2%</b>	<b>1,389.4</b>	-72.3%
Income tax	37.3	34.6	7.8%	52.0	-28.2%
Minority interests	19.3	13.5	43.6%	55.8	-65.4%
<b>Net income (loss) to equity holders of the parent</b>	<b>328.8</b>	<b>11.5</b>	<b>2767.0%</b>	1,281.6	-74.3%
<b>EPS (THB per share)</b>	<b>0.0057</b>	<b>0.0002</b>	<b>2701.9%</b>	<b>0.0224</b>	-74.3%

<sup>c</sup> Non operating gain / (loss) for 3Q 11/12 includes gain on exchange at THB 41.4mn and revenue from court-ordered compensation at THB 11.4mn

# Summary of balance sheet



Balance Sheet (THB mn)	31 Dec 2011	31 March 2011	% Change	31 March 2010	% Change
Cash and cash equivalents	1,374.6	1,825.4	-24.7%	2,477.7	-44.5%
Accounts receivables	979.0	571.9	71.2%	527.2	85.7%
Real estate development costs	3,242.7	2,947.7	10.0%	2,867.7	13.1%
Other current assets	2,187.0	948.2	130.6%	973.1	124.7%
<b>Total current assets</b>	<b>7,783.3</b>	<b>6,293.3</b>	<b>23.7%</b>	<b>6,845.8</b>	<b>13.7%</b>
Elevated project costs	45,447.5	44,443.0	2.3%	43,443.0	4.6%
Land and project under development	2,825.9	2,692.9	4.9%	4,427.1	-36.2%
Investment properties – net	2,316.4	2,345.5	-1.2%	-	N.A.
Property, plant and equipment	5,938.5	5,337.5	11.3%	4,185.4	41.9%
Other non-current assets	2,859.6	2,713.9	5.4%	2,376.5	20.3%
<b>Total non-current assets</b>	<b>59,387.9</b>	<b>57,532.9</b>	<b>3.2%</b>	<b>54,432.0</b>	<b>9.1%</b>
<b>Total assets</b>	<b>67,171.3</b>	<b>63,826.2</b>	<b>5.2%</b>	<b>61,277.9</b>	<b>9.6%</b>
Short-term loan from financial institution	941.5	500.0	88.3%	1,000.0	-5.8%
Account Payable	382.1	267.5	42.9%	214.8	77.9%
Current portion of long-term loan	-	-	N.A.	7.2	N.A.
Other current liabilities	583.4	151.8	284.4%	24,109.4	8002.8%
<b>Total current liabilities</b>	<b>7,542.8</b>	<b>3,661.7</b>	<b>106.0%</b>	<b>25,331.4</b>	<b>-70.2%</b>
Long-term loan - net of current portion	2,907.8	1,785.3	62.9%	149.3	1847.2%
Long-term debentures	9,438.1	11,906.6	-20.7%	11,873.6	-20.5%
Convertible debentures – liability component	8,709.2	8,486.8	2.6%	-	N.A.
Other non-current liabilities	9,278.2	8,963.2	3.5%	102.9	8914.0%
<b>Total non-current liabilities</b>	<b>21,624.1</b>	<b>22,655.0</b>	<b>-4.6%</b>	<b>12,125.9</b>	<b>78.3%</b>
<b>Total liabilities</b>	<b>29,166.9</b>	<b>26,316.7</b>	<b>10.8%</b>	<b>37,457.3</b>	<b>-22.1%</b>
Issued and fully paid capital at Par THB 0.64					
Share premium (discount)	350.7	-	N.A.	(735.1)	-147.7%
Retained earnings	-	(1,475.8)	N.A.	(4,036.1)	N.A.
Other shareholders' equity	(655.2)	481.7	-236.0%	26,093.4	N.A.
<b>Equity attributable to company's shareholders</b>	<b>36,296.0</b>	<b>34,775.1</b>	<b>4.4%</b>	<b>21,322.2</b>	<b>70.2%</b>
Non-controlling interest of subsidiaries	1,708.4	2,734.4	-37.5%	2,498.3	-31.6%
<b>Total shareholders' equity</b>	<b>38,004.3</b>	<b>37,509.5</b>	<b>1.3%</b>	<b>23,820.6</b>	<b>59.5%</b>
<b>Total liabilities and shareholders' equity</b>	<b>67,171.3</b>	<b>63,826.2</b>	<b>5.2%</b>	<b>61,277.9</b>	<b>9.6%</b>

# Summary of cash flow statement

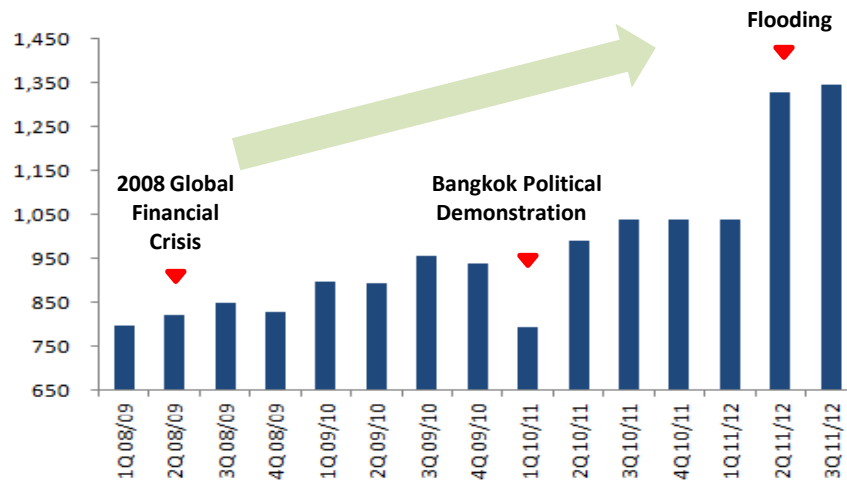


Cash Flow Statement (THB mn)	3Q 11/12 (3M)	3Q 10/11 (3M)	%YoY
Income (loss) before tax	385.4	59.6	547.2%
Adjustment to reconcile income (loss) before tax:			
Depreciation and amortisation	72.2	69.4	4.1%
Spare parts and elevated project costs amortisation	308.9	251.3	22.9%
Other adjustments	370.2	319.7	15.8%
Decrease (Increase) in operating assets	(470.0)	(116.7)	N.A.
Increase (Decrease) in operating liabilities	88.7	113.2	-21.6%
Cash paid for interest expenses	(175.8)	(337.1)	N.A.
Cash paid for corporate income tax	(41.3)	(57.6)	N.A.
Cash received for interest income	3.0	5.0	-40.7%
<b>Net cash from (used in) operating activities</b>	<b>541.4</b>	<b>306.8</b>	<b>76.5%</b>
Increase in elevated rail project costs	(132.7)	0.4	-33616.2%
Increase in advances for asset acquisitions	(458.4)	(906.6)	N.A.
Cash paid for purchases of property, plant and equipment	(201.1)	(572.7)	N.A.
Rights of claim from acquisition of debts per rehabilitation plan	(741.5)	-	N.A.
Others	27.1	124.8	-78.4%
<b>Net cash used in investing activities</b>	<b>(1,506.7)</b>	<b>(1,354.1)</b>	<b>N.A.</b>
Dividend paid	-	-	N.A.
Increase in long-term loans	548.1	1,330.3	-58.8%
Cash paid for long-term loans	(2.1)	(1.8)	N.A.
Increase in short-term loan from financial institution	741.5	-	N.A.
Others	(0.2)	(6.4)	N.A.
<b>Net cash from (used in) financial activities</b>	<b>1,287.3</b>	<b>1,322.1</b>	<b>-2.6%</b>
Increase in transition adjustment	(0.3)	(2.8)	N.A.
<b>Net increase (decrease) in cash</b>	<b>322.3</b>	<b>272.0</b>	<b>18.5%</b>
Cash at beginning of the period	1,052.3	2,393.7	-56.0%
<b>Cash at the end of the period</b>	<b>1,374.6</b>	<b>2,665.6</b>	<b>-48.4%</b>

# Growth and Resilience



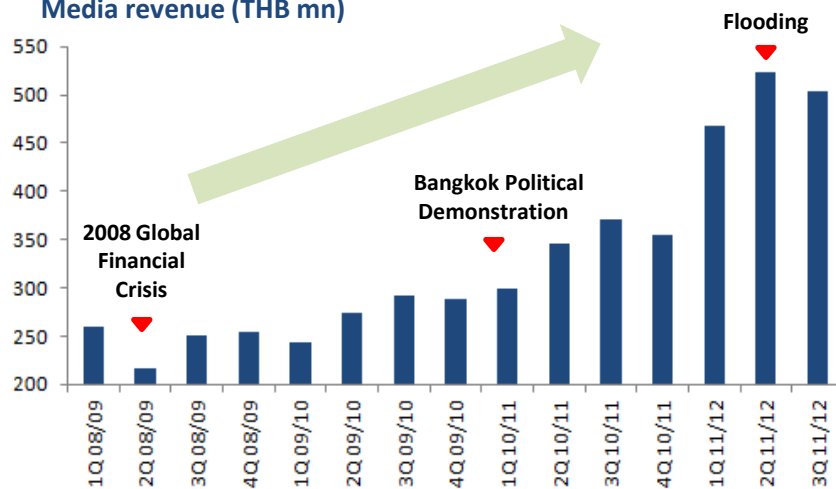
Mass Transit Revenue : Fare Box and O&M (THB mn)



## Mass transit

- Growth of **9.7% CAGR** through FY 00/01 – 10/11
- Ridership relatively immune to external factors
- If impacted, ridership reverts to growth almost immediately after incident

Media revenue (THB mn)



## Media

- Revenue growth of **17.2% CAGR** from FY 08/09 – 10/11
- Growth has outstripped any negative external factor
- Mass transit and In-store media remain amongst the fastest growing segments of the Ad Industry
- Mass transit media shows relative resilience in adverse circumstances

# Q&A