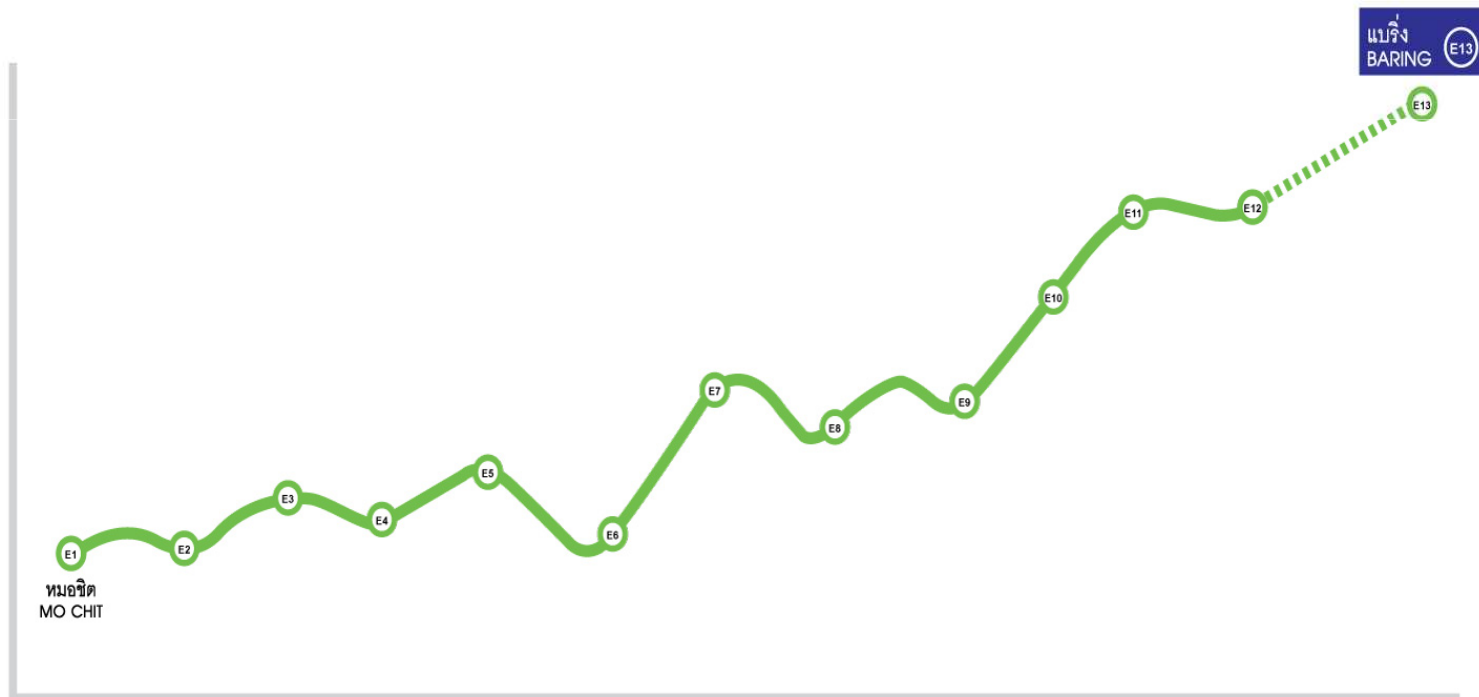




# BTS Group Holdings PCL

Second quarter 2010/11 result presentation  
17 November 2010



# Disclaimer

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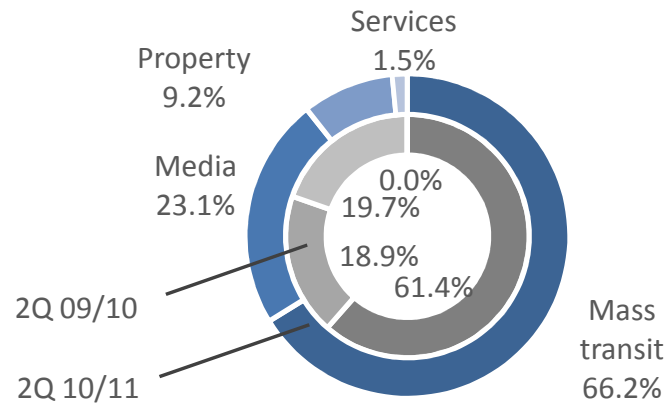
Investment involves risk. Prospective should understand the characteristics of Securities and study information about BTS Group Holding Public Company Limited (the “Company”) before making a decision to invest in Securities.

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# 2Q 10/11 Overview



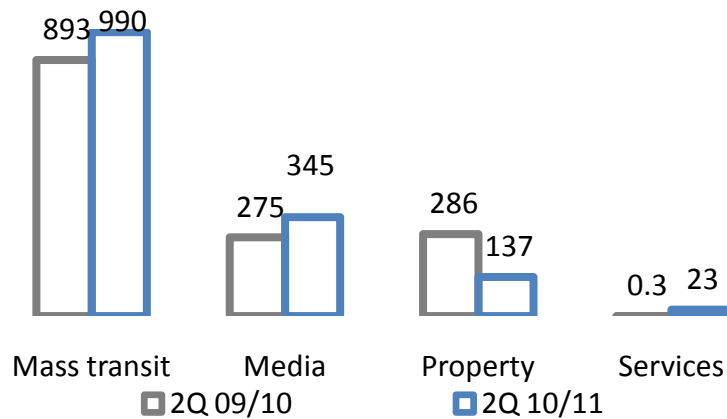
## Operating revenue 2Q 10/11



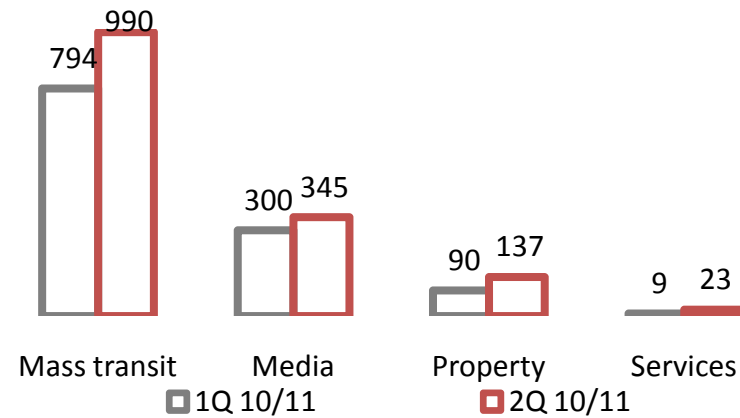
## P&L snapshot 2Q 10/11 (THB mn)

Sales	1,495
Other income	728
<b>Total revenue</b>	<b>2,223</b>
<b>Net profit</b>	<b>603</b>

## Revenue comparison (YoY)



## Revenue comparison (QoQ)



# 2Q 10/11 Highlights



## Major development in 2Q 10/11

### Mass transit

- ❖ Recovery of quarterly ridership from political disturbance (Jumped 33.0% QoQ to 37.8 mn passengers)
- ❖ A full quarter revenue contribution from BRT



### Media

- ❖ Strong growth of revenue contribution from modern trade and office building business
- ❖ Clear positive synergy on POV acquisition



### Property

- ❖ Launching of Abstracts brand (Abstracts Phahonyothin Park, Abstracts Sukhumvit 66/1)
- ❖ Cost increase from asset impairment (Thana City) and investment in Abstracts brand



### Services

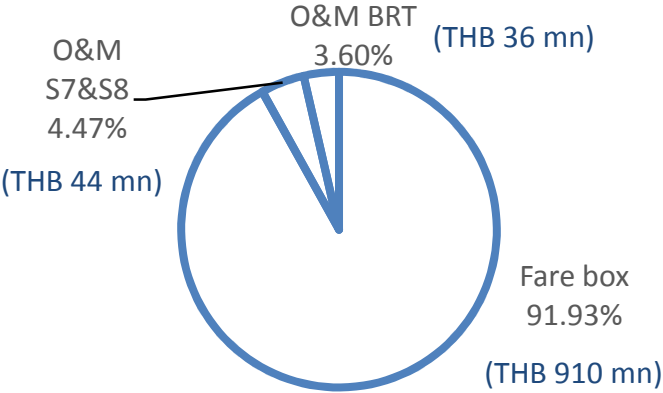
- ❖ Solid revenue growth of Thana City Golf
- ❖ Continued expansion of Hotel Management Services



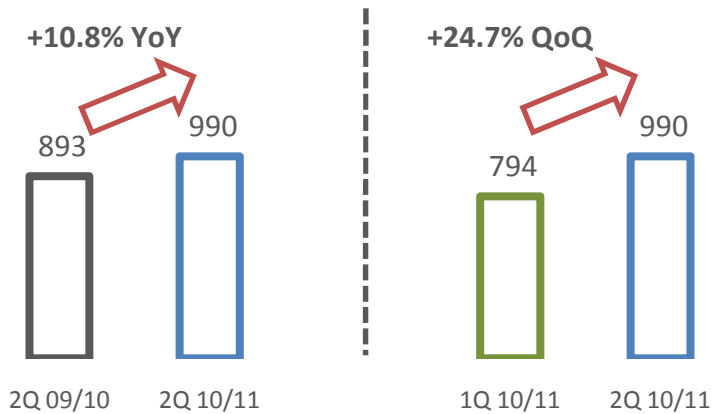
# Mass transit business



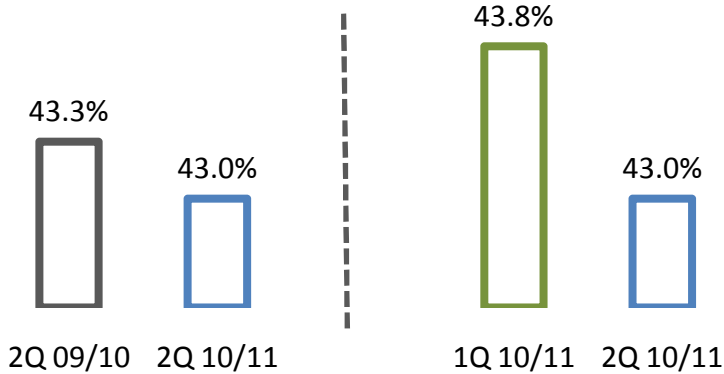
## Revenue breakdown



## Revenue growth



## Gross profit margin



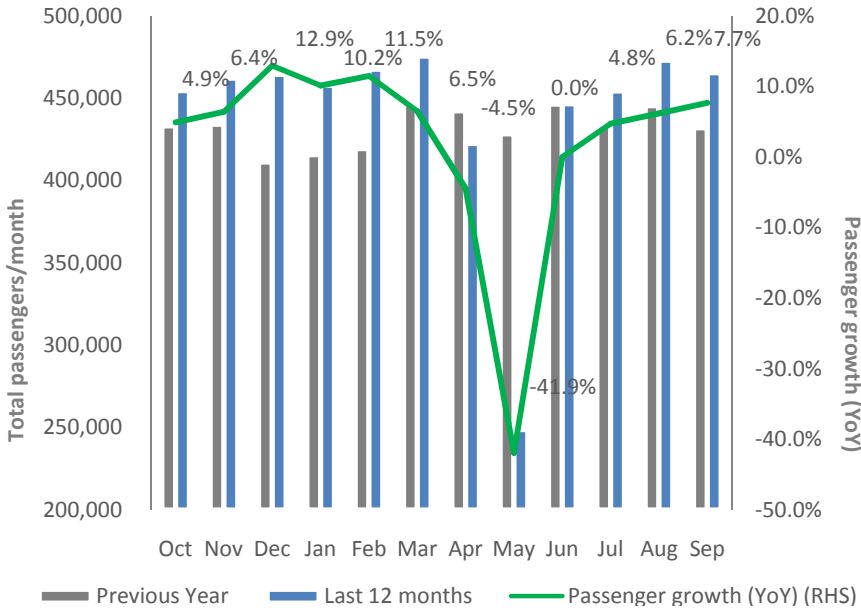
## Key factors

- 2Q 10/11 average ridership grew 6.2% YoY and 23.4% QoQ to 464,259 passengers
- 2Q 10/11 average fare price remains strong at THB 24.10 compared to THB 24.0 in 2Q 09/10.
- BRT revenue expanded 5.7% QoQ to 35.6mn in 2Q 10/11.

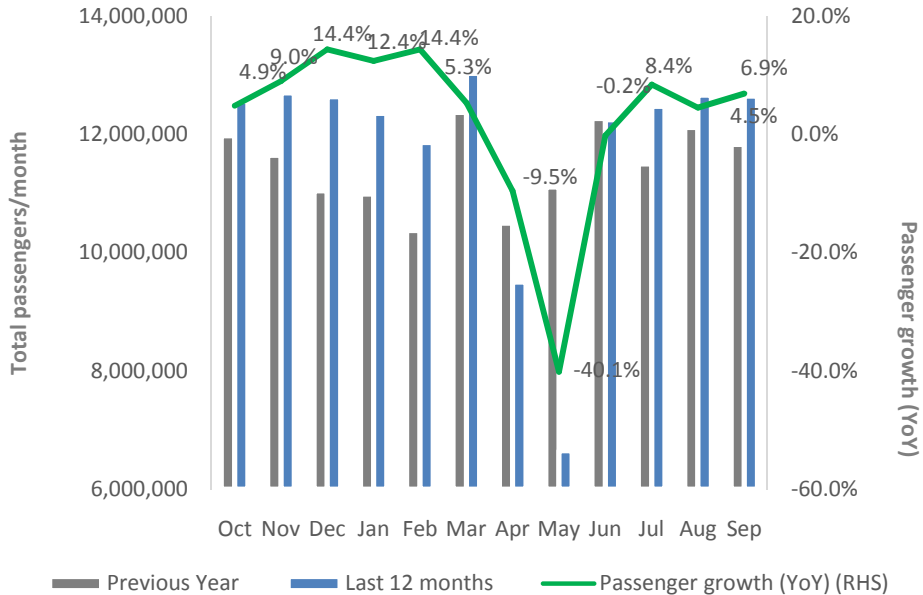
# Historical Ridership



**Average weekday ridership**



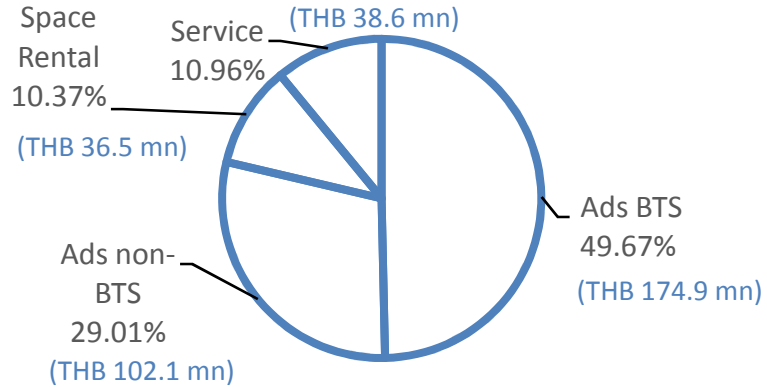
**Total monthly ridership**



# Media business

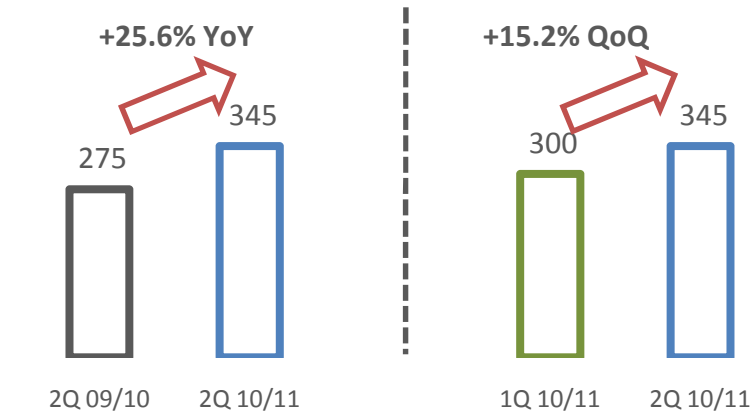


## Revenue breakdown



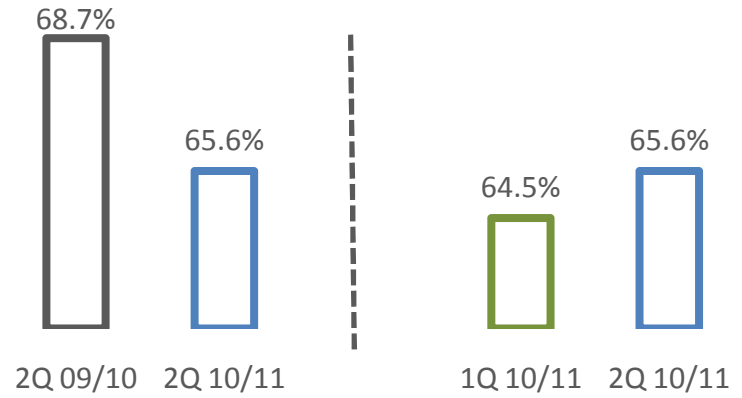
\*Non-consolidated basis

## Revenue growth



\*Consolidated basis

## Gross profit margin



\*Consolidated basis

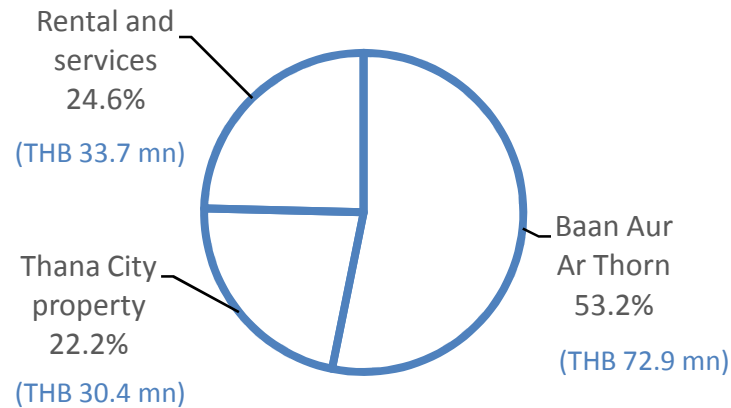
## Key factors

- Revenues contribution of non-BTS related business expanded to 39% of total revenue due to increasing in revenues from modern trade and POV (1Q 10/11: 32%, 2Q 09/10: 22%)
- Overall gross profit margin increased to 65.6% from 64.5% in 1Q 10/11

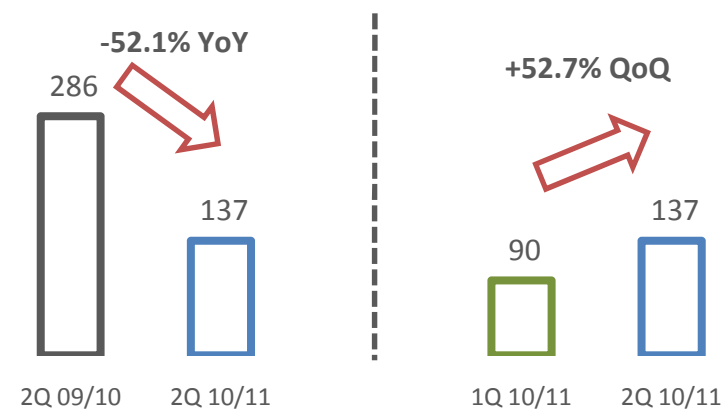
# Property business



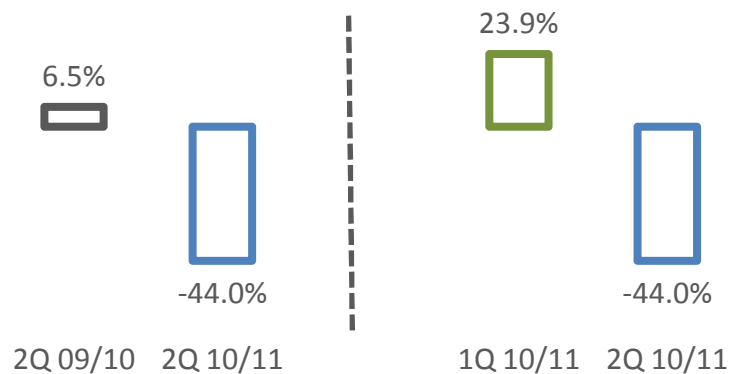
## Revenue breakdown



## Revenue growth



## Gross profit margin



## Key factors

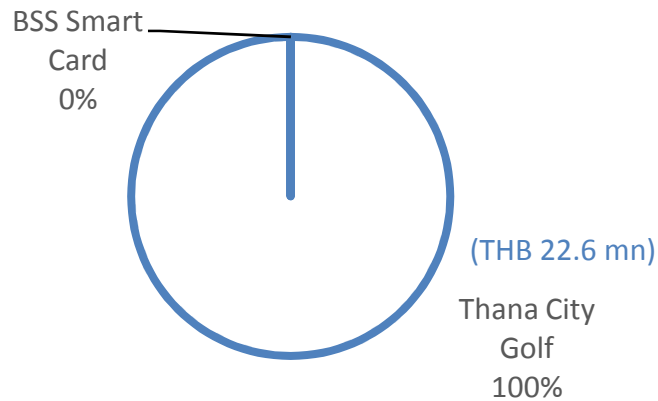
- Revenue increased from 1Q 10/11 because of increasing sales of Thana City condominium
- Total costs increased 440% (THB 79.5 mn) to THB 102.8 mn due to provision for impairment at the amount of THB 81.6 mn and increased sales.
- Revenues from sales of Abstracts condominium not expected to be realised until 1Q 11/12 (calendar 2Q 2011)



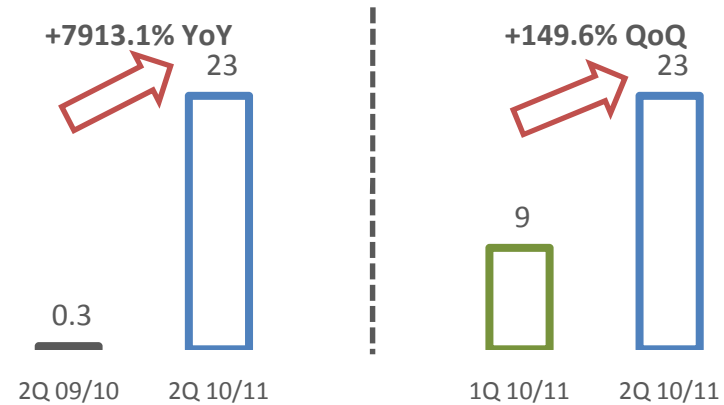
# Services business



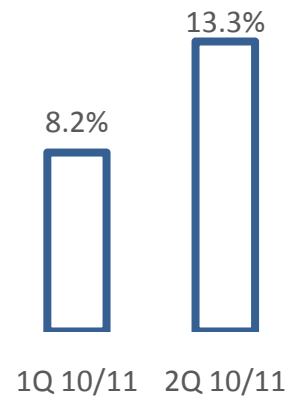
## Revenue breakdown



## Revenue growth



## Gross profit margin



## Key factors

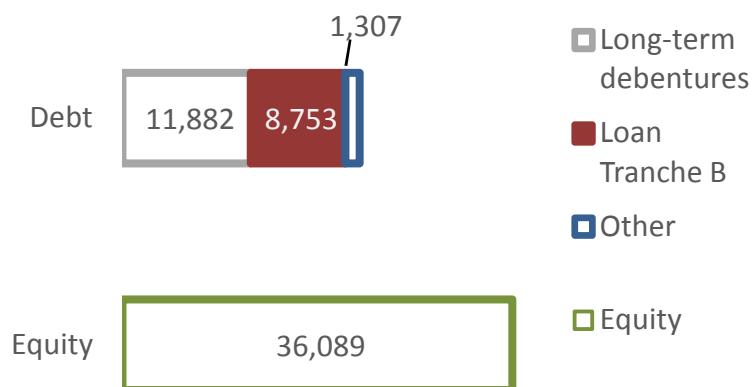
- Revenue from Thana City Golf and Sport Club increased from THB 0.3 mn (2Q 09/10) to THB 22.6 mn because of the beginning of high season and more active marketing strategy

# Capital structure



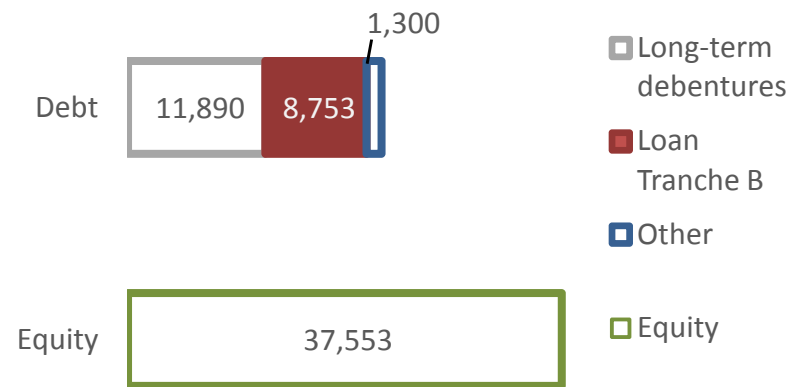
## 30 June 2010

Unit: THB mn



## 30 September 2010

Unit: THB mn



### Net debt-to-equity ratio

0.55x

0.52x

### Effective interest rate

5.8%

5.8%

# Summary of income statement



## 2Q 10/11 income statement (THB mn)

Income Statement (THB mn)	2Q 10/11	2Q 09/10	% YoY	1Q 10/11	% QoQ	1H 10/11	1H 09/10	% YoY
Sales	1,495	1,454	3%	1,192	25%	2,687	2,876	-7%
Other income	728	4,571	-84%	28	2468%	757	4,623	-84%
<b>Total revenue</b>	<b>2,223</b>	<b>6,025</b>	<b>-63%</b>	<b>1,221</b>	<b>82%</b>	<b>3,444</b>	<b>7,498</b>	<b>-54%</b>
COGS	964	873	11%	649	49%	1,613	1,708	-6%
Overhead expenses	332	290	14%	264	26%	596	528	13%
Other expenses	-	-	N/A	111	-100%	111	-	N/A
Income (loss) from investment in associates	0	(2)	-131%	(1)	-146%	(1)	(2)	-71%
<b>EBIT</b>	<b>927</b>	<b>4,860</b>	<b>-81%</b>	<b>196</b>	<b>373%</b>	<b>1,123</b>	<b>5,260</b>	<b>-79%</b>
Interest expenses	344	104	231%	441	-22%	785	155	405%
<b>EBT</b>	<b>583</b>	<b>4,756</b>	<b>-88%</b>	<b>(245)</b>	<b>-338%</b>	<b>338</b>	<b>5,104</b>	<b>-93%</b>
Income tax	30	17	78%	18	69%	48	35	38%
Minority Interests	14	260	-95%	11	31%	24	275	-91%
<b>Net profit (loss)</b>	<b>603</b>	<b>4,492</b>	<b>-87%</b>	<b>(254)</b>	<b>-338%</b>	<b>349</b>	<b>4,826</b>	<b>-93%</b>
.....								
Net profit before non-recurring items	(20)	(28)	-28%	(260)	-92%	(280)	279	-200%
Non-recurring items	623	4,519	-86%	6	10682%	629	4,492	-86%

**\*Non recurring items**

- 2Q 10/11 : 1) gain on deposit of assets as guarantee for debt settlement of THB 708.5 mn 2) Loss on exchange of THB 4.0 mn and 3) provision for impairment of asset of THB 81.6mn.
- 2Q 09/10 : 1) gain on debt restructuring of THB 4,527.9 mn 2) loss on exchange of THB 8.6 mn
- 1 Q 10/11 : 1) gain on exchange of THB 5.8 mn

# Summary of balance sheet



(THB mn)			Variance	
	30 Sep 2010	31 March 10	Amount	%
<b>Fixed Assets</b>				
Tangible Fixed Assets	54,673.7	53,154.5	1,519.2	3%
Intangible Fixed Assets	692.4	1,277.6	(585.2)	-46%
<b>Total</b>	<b>55,366.0</b>	<b>54,432.0</b>	<b>934.0</b>	<b>2%</b>
<b>Current Assets</b>				
Real Estate Development Costs	2,816.1	2,867.7	(51.6)	-2%
Trade Debtors	447.2	527.2	(80.0)	-15%
Other Current Assets	1,040.8	2,477.7	(1,437.0)	-58%
Cash	2,393.7	973.1	1,420.5	146%
<b>Total</b>	<b>6,697.8</b>	<b>6,845.8</b>	<b>(148.0)</b>	<b>-2%</b>
<b>Total Assets</b>	<b>62,063.8</b>	<b>61,277.9</b>	<b>786.0</b>	<b>1%</b>
<b>Long term liabilities</b>				
Lease liabilities	0.0	0.0	0.0	0%
Long term Debentures	11,890.1	11,873.6	16.4	0%
Long term loan	9,153.6	149.3	9,004.2	6030%
Other long term liabilities	120.4	102.9	17.5	17%
<b>Total</b>	<b>21,164.0</b>	<b>12,125.9</b>	<b>9,038.1</b>	<b>75%</b>
<b>Short term liabilities</b>				
Short Term Loans	900.0	1,000.0	(100.0)	-10%
Account payable	188.6	214.8	(26.2)	-12%
Other ST Liabilites	2,258.4	2,960.9	(702.5)	-24%
Payable from Subsidiary acquisition	0.0	21,155.7	(21,155.7)	-100%
<b>Total</b>	<b>3,347.0</b>	<b>25,331.4</b>	<b>(21,984.4)</b>	<b>-87%</b>
<b>Total Liabilities</b>	<b>24,511.1</b>	<b>37,457.3</b>	<b>(12,946.2)</b>	<b>-35%</b>
<b>Equity &amp; Reserves</b>				
Equity	42,382.0	28,956.6	13,425.4	46%
Retained Earnings	(4,829.3)	(5,136.1)	306.8	-6%
<b>Total</b>	<b>37,552.7</b>	<b>23,820.6</b>	<b>13,732.2</b>	<b>58%</b>
<b>Total Liabilities and Equity</b>	<b>62,063.8</b>	<b>61,277.9</b>	<b>786.0</b>	<b>1%</b>

# Summary of cash flow statement



## 2Q 10/11 cash flow statement (THB mn)

	2Q 10/11	2Q 09/10	Change	% Change
<b>EBT</b>	647.2	4,768.9	(4,121.7)	-86%
Depreciation and amortisation	303.2	278.7	24.5	9%
Adjustment to reconcile income	(346.8)	(4,399.5)	4,052.7	-92%
<b>Movement in Operating Assets and Liabilities</b>				
Movement in Accounts Receivable	21.9	(104.2)	126.1	-121%
Movement in Real Estate Development Costs	2.3	43.9	(41.6)	-95%
Movement in Other Operating Assets	4.8	(96.3)	101.1	-105%
Movement in Account Payable	(6.6)	79.4	(86.0)	-108%
Movement in Other Operating Liabilities	71.5	4.4	67.1	1540%
<b>Total</b>	<b>93.8</b>	<b>(72.9)</b>	<b>166.7</b>	<b>-229%</b>
<b>Cash Generated From Operations</b>	<b>697.4</b>	<b>575.2</b>	<b>122.1</b>	<b>21%</b>
Tax Paid	(31.6)	25.6	(57.2)	-223%
Capex	(744.6)	(1,287.9)	543.3	-42%
Other adjustments in investing activities	11.7	111.3	(99.6)	-89%
<b>Cash Available for Debt Service</b>	<b>(67.1)</b>	<b>(575.8)</b>	<b>508.7</b>	<b>-88%</b>
Drawdown/(Repayment) of Debt Financing	1.2	11,943.3	(11,942.0)	-100%
Interest Paid	(327.6)	(81.7)	(245.8)	301%
Equity Received/(Repaid)	807.7	(1,293.8)	2,101.5	-162%
Other financing activities	3.6	(9,986.6)	9,990.2	-100%
<b>Financing Cash Flows</b>	<b>485.0</b>	<b>581.2</b>	<b>(96.2)</b>	<b>-17%</b>
<b>Net Cash Flow</b>	<b>417.9</b>	<b>5.4</b>	<b>412.4</b>	<b>7604%</b>
Opening Cash/(Overdraft)	1,976.9	3,193.3	(1,216.3)	-38%
Translation adjustments	(1.1)			
Net Cash Flow	417.9	5.4	412.4	7604%
<b>Closing Cash (Overdraft)</b>	<b>2,393.7</b>	<b>3,198.7</b>	<b>(803.9)</b>	<b>-25%</b>

# Outlook



## Mass transit

- ❖ 12 new 4 cars trains are expected to begin the operation in November 2010
- ❖ New signaling system installation will be completed by the end of this year
- ❖ On Nut – Baring extension is expected to start the operation in August 2011

## Media

- ❖ Continuing exploit synergy from POV Media Group
- ❖ Enlarging position in modern trade and office building advertising sector with new products and contracts
- ❖ Expanding advertisements for 12 new trains , new extension stations and BRT

## Property

- ❖ Continued sales of Abstracts Phahonyothin Park and Abstracts Sukhumvit 66/1
- ❖ Launch of Abstracts condominiums project at JJ Park and Phayathai – expected calendar 1Q 2011.
- ❖ Construction of Four Points by Sheraton adjacent to BTS Surasak reached 39% and remains on track to open in the calendar 3Q 2011

## Services

- ❖ BSS Smartcard is expected to pilot test common ticketing system in calendar 2Q 2011 and launch in calendar 4Q 2011
- ❖ Improved sales for Thana City Golf

# Q&A