

1Q15 Analyst Briefing

Berli Jucker Public Company Limited

21 May 2015



Notes on Forward Looking



The following presentation may contain forward looking statements by the management of Berli Jucker Public Company Limited ("BJC"), 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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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 constructed as a representation as to future performance of BJC. In particular, such targets should not be regarded as a forecast or projection of future performance of BJC. It should be noted that the actual performance of BJC may vary significantly from such targets.

Agenda



- **Key Highlights**
- **Financial Performance**
 - Performance by Business
 - Financial Position
- **Appendix**



1Q15 Highlights : Launched New Products



Consumer Supply Chain (14)



Rosette Bar and Liquid Gel

Miruku



Parrot Botanicals



Tasto Fit



Tasto Stick



Party Sweet Potato



CAMPUS MALT
Cereal Snack



POP 'n Go

Lychee



Campus Malt

Healthcare Supply Chain (2)



Moolagen



Femorum Inj.

Summary of Capacity



Glass Packaging

TGI (Thailand)	1,745
TMG (Thailand)	990
MGP (Malaysia)	510
MVG (Vietnam)	<u>280</u>
Total	3,525

Unit: tpd



Aluminum Can Packaging

TBC (Thailand)- Can	2,200
TBC (Thailand)- End	2,700
TBC-Ball (Vietnam)- Can	<u>850</u>
Total- Can	3,050
Total- End	2,700

Unit: mil. units



72 Stores



9 Stores



95 Stores

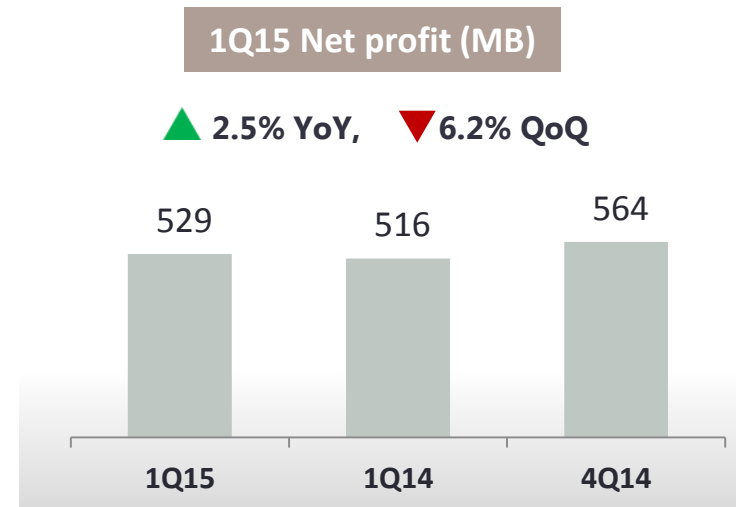
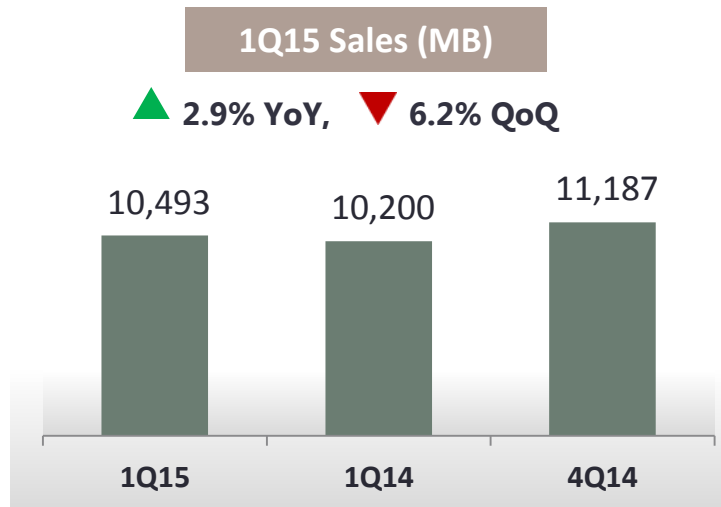
As of 31 March 2015

Overall Performance



- BJC Group have adopted new and revised TFRS that are relevant to consolidation, joint arrangements, associates and disclosures of interests in other entities which requires application for the financial statements for the periods beginning on or after January 1, 2015 onwards.
- In the past, we applied proportionate consolidated method for MGP and MVG while we applied 100% consolidated method for Thai Dairy (previously known as BJC Danone).
- In 1Q15, we changed the accounting method to take profits/loss in share of profit from investment in Joint Ventures.

1Q15 Highlights



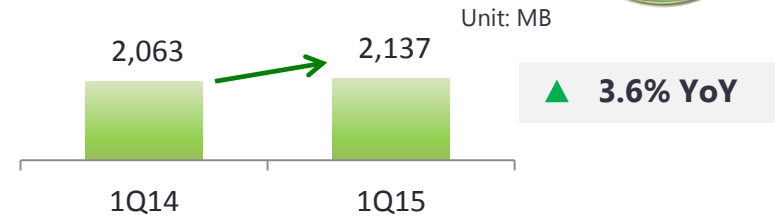
- 1Q15 sales increased 2.9% YoY but decreased 6.2% QoQ. The YoY improvement came mainly from aluminum can business. The decline in QoQ was normal as fourth quarter is a high season for the Company
- 1Q15 Net profit was reported at 529 MB, increased by 2.5% YoY but decreased by 6.2% QoQ. This was in-line with sales trend.

International Sales

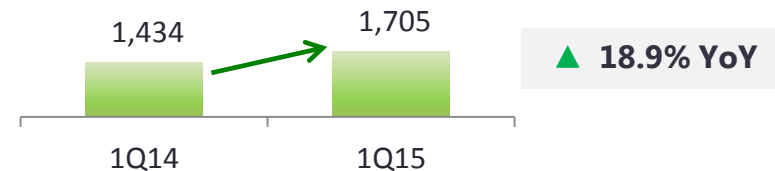


1Q15 vs 1Q14

- **1Q15 International Sales** were THB 2,137 million, **up 3.6% YoY**, and accounted for 20.4% of total sales.



- **1Q15 Sales from Vietnam** were THB 1,705 million, **up 18.9% YoY**, and accounted for 79.8% of International Sales.

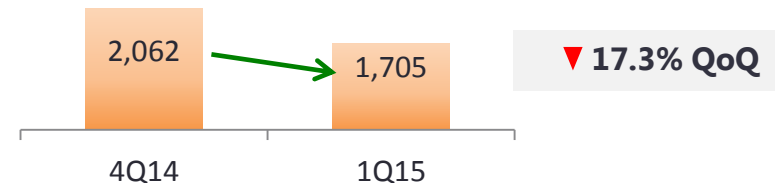


1Q15 vs 4Q14

- **1Q15 International Sales** were THB 2,137 million, **down 25.3% QoQ**, and accounted for 20.4% of total sales.

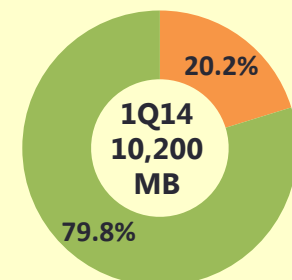
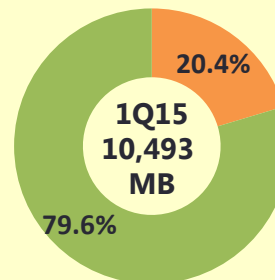


- **1Q15 Sales from Vietnam** were THB 1,705 million, **down 17.3% QoQ**, and accounted for 79.8% of International Sales.



1Q15 International Sales were **20.4%** of Total Sales, **up from 3.6% in 1Q14**

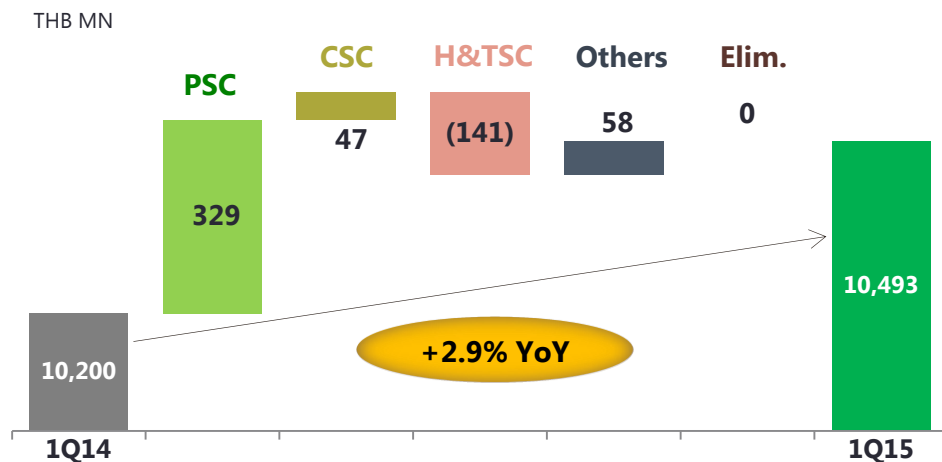
■ Domestic Sales ■ International Sales



1Q15 vs 1Q14

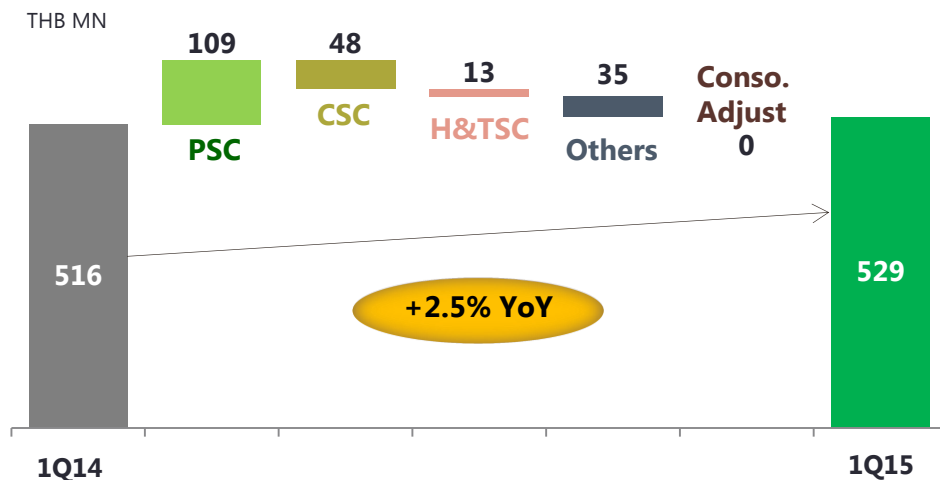


- **1Q15 Sales** were THB 10,493 million, increased THB 293 million or 2.9% YoY.



- Sales of PSC increased THB 329 MN mainly improvement was driven by aluminum can business both in domestic market and in Vietnam.
- Sales of CSC increased THB 47 MN from non-food group, including tissue, personal care and household segment
- Sales of H&TSC decreased THB 141 MN mainly from the lower sales from Technical Supply Chain and medical equipment products as the government has imposed a cost saving policy, resulting in lower government budget in the quarter.

- **1Q15 Net profit** was THB 529 million, increased THB 13 million or 2.5% YoY.



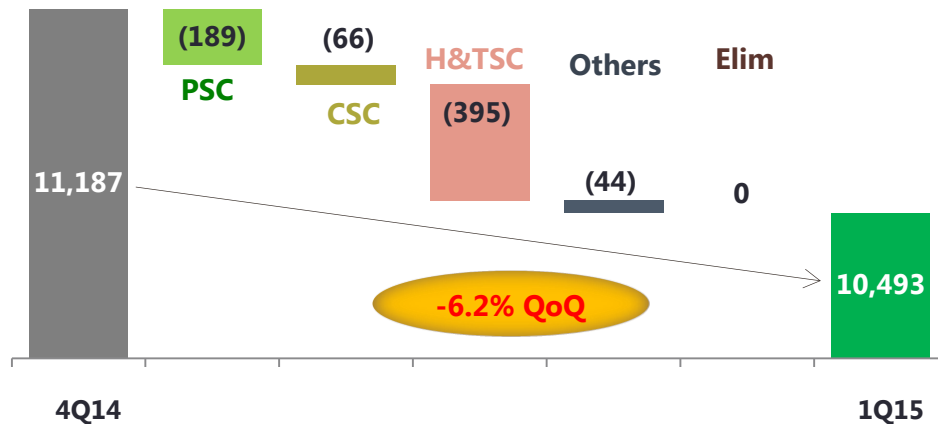
- PSC net profit increased THB 109 MN thanks to lower raw material cost, energy cost as well as the improvement in production efficiency of glass manufacturing plant.
- CSC net profit dropped THB 48 MN mainly from a higher advertisement expenses from both food and non-food group.
- H&TSC net profit decreased THB 13 MN mainly due to lower sales in both medical equipment and technical supply chain.

1Q15 vs 4Q14



- 1Q15 Sales were THB 10,493 million, decreased THB 694 million or 6.2% QoQ.

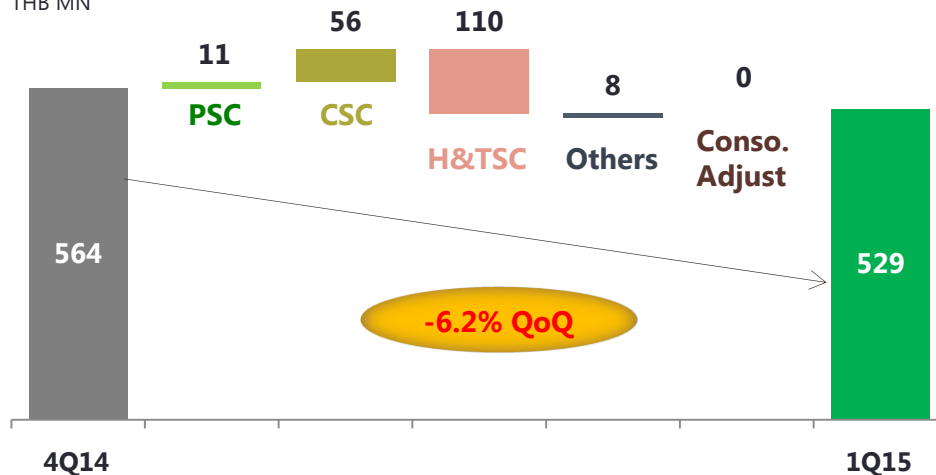
THB MN



- Sales of PSC decreased THB 189 MN normalized from 4Q14 high seasonal sales in both glass packaging and aluminum can businesses.
- Sales of CSC decreased THB 66 MN mainly from non-food group as it realigned its portfolio to focus on higher margin customer.
- Sales of H&TSC decreased THB 395 MN from the lower sales from Technical Supply Chain and medical equipment products. Although pharmaceutical product sales increased, it couldn't be offset by the declining in sales of technical supply chain and medical equipment.

- 1Q15 Net profit was THB 529 million, decreased THB 35 million or 6.2% QoQ.

THB MN



- Net profit of PSC increased THB 11 MN thanks mainly to the ability to improve gross profit as a result of lower raw material cost, energy cost as well as efficiency improvement.
- Net profit of CSC increased THB 56 MN. This was because of the Foods Group ability to generate higher profit margin as a result of lower raw material and energy cost.
- Net profit of H&TSC decreased THB 110 MN which was in-line with the decline in sales.

Agenda



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 - Financial Position
- **Appendix**

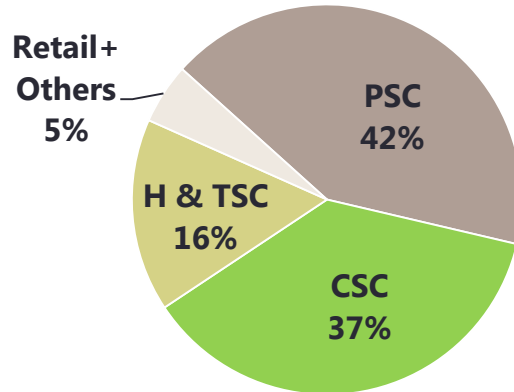


Performance Breakdown

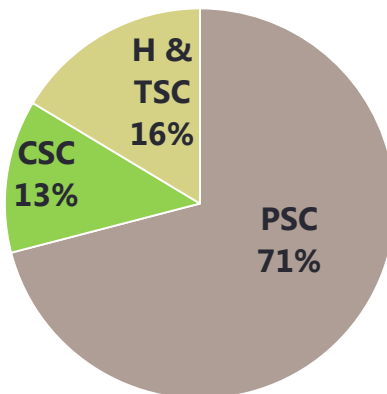


1Q15

Sales Breakdown

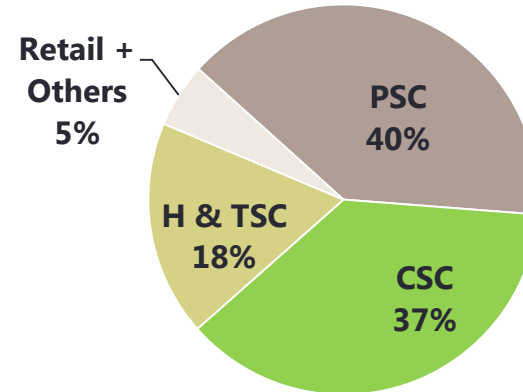


Net Profit Breakdown

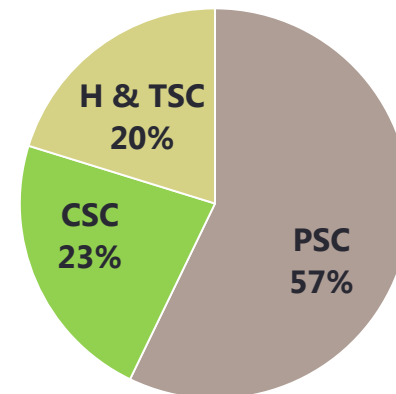


1Q14

Sales Breakdown



Net Profit Breakdown

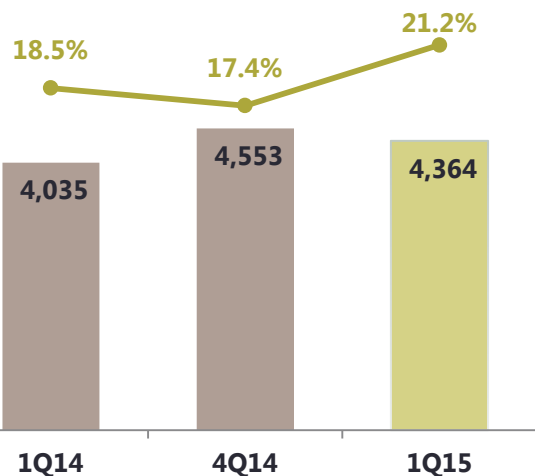


Packaging Supply Chain



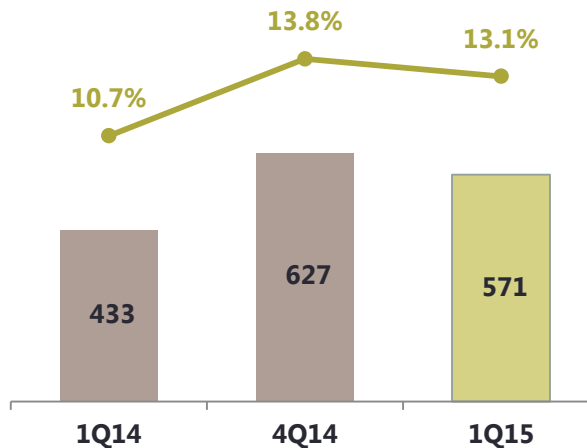
Sales and Gross Profit Margin

▲ 8.2% YoY
▼ 4.2% QoQ



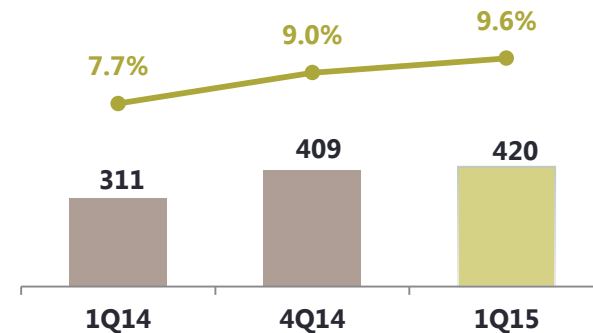
EBIT and EBIT Margin

▲ 31.8% YoY
▼ 8.9% QoQ



Net Profit and Net Profit Margin

▲ 35.0% YoY
▲ 2.7% QoQ



1Q15 Highlights

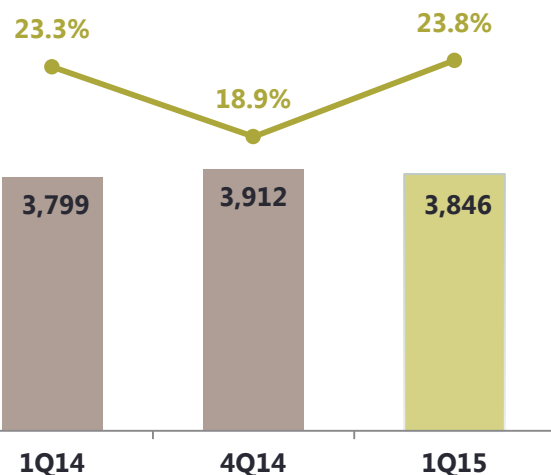
- 1Q15 sales increased by THB 329 MN or 8.2% from the same quarter previous year. The main improvement was driven by aluminum can business both in domestic market and in Vietnam. However, 1Q15 sales slightly decreased from the previous quarter as fourth quarter is the high season for packaging business.
- Gross margin was improved to 21.2% in 1Q15, up from 18.5% in 1Q14 and 17.4% in 4Q14. The margin enhancement came from lower raw material costs and energy costs as well as the improvement in production efficiency.
- 1Q15 SG&A to sales was down to the normal level from low SG&A to sales in the previous quarter, resulting in a slightly decline in EBIT margin compared to 4Q14 EBIT margin. However, 1Q15 showed improvement at a similar pace to gross margin trend.

Consumer Supply Chain



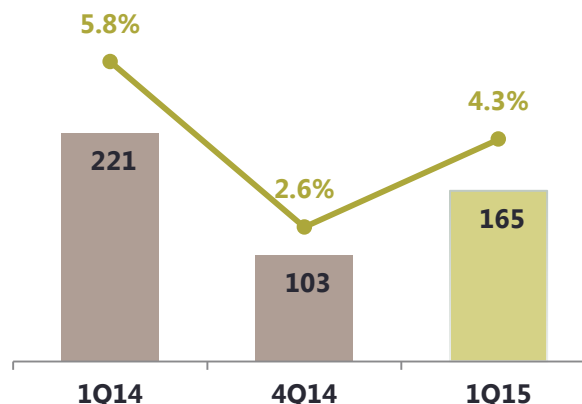
Sales and Gross Profit Margin

▲ 1.2% YoY
▼ 1.7% QoQ



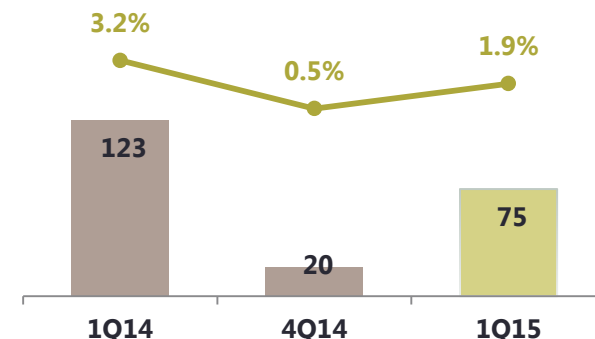
EBIT and EBIT Margin

▼ 25.3% YoY
▲ 61.0% QoQ



Net Profit and Net Profit Margin

▼ 39.0% YoY
▲ 494.7% QoQ



1Q15 Highlights

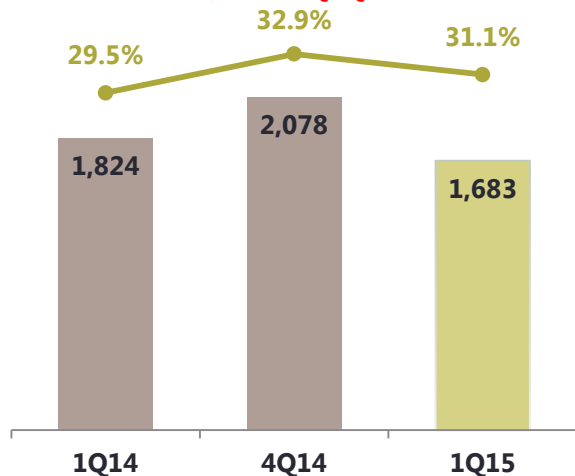
- 1Q15 sales increased by THB 47 MN or 1.2% from 1Q14 thanks to growth of non-food products in tissue, soap, household segments. However, 1Q15 sales dropped by THB 66 MN or 1.7% mainly from non-food group products. Non-food group has realigned its product portfolio by focusing on high margin customers.
- Gross margin was improved to 23.8% in 1Q15, up from 23.2% in 1Q14 and 18.9% in 4Q14. The raise in gross margin came mainly from lower raw material costs i.e. potato chip and palm oil.
- 1Q15 SG&A to sales was higher than SG&A to sales in 1Q14 and 4Q14 because of higher marketing expense for brand building. This result in lower EBIT margin and net margin in 1Q15, comparing with 1Q14. However, EBIT margin and net margin showed a positive trend comparing with the previous quarter

Healthcare & Technical Supply Chain



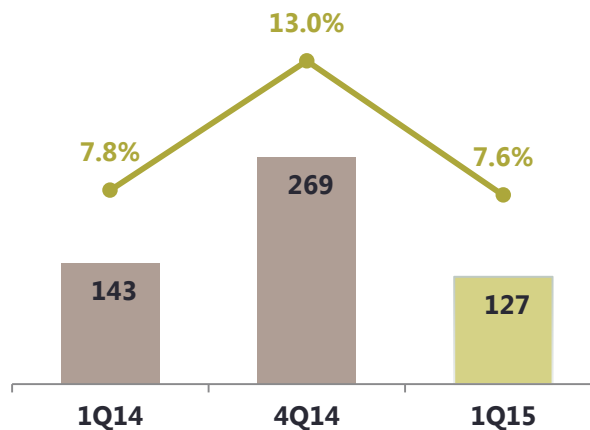
Sales and Gross Profit Margin

▼ 7.7% YoY
▼ 19.0% QoQ



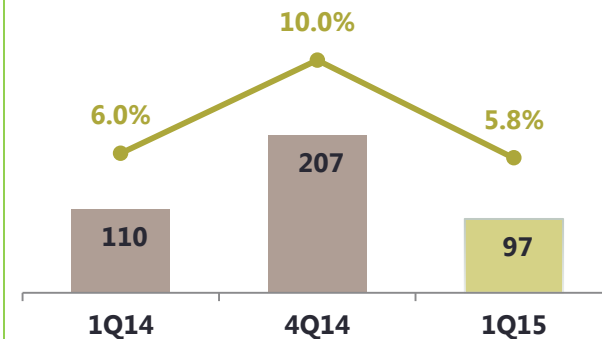
EBIT and EBIT Margin

▼ 11.0% YoY
▼ 52.7% QoQ



Net Profit and Net Profit Margin

▼ 11.8% YoY
▼ 53.1% QoQ



1Q15 Highlights

- 1Q15 sales was reported at THB 1,683 MN, decreased by 7.7% YoY and 19.0% QoQ. The decline in medical equipment and steel structure sales was partly offset by the increase in pharmaceutical product sales.
- Gross margin was at 31.1% in 1Q15, up from 29.5% in 1Q14 but slightly down from 32.9% in 4Q14. The change came mainly from product/project mix.
- Even though SG&A was lower in the quarter, the percent SG&A to sales was higher due to the lower sales in the quarter. This was reflected in lower EBIT margin and net profit margin in the quarter.

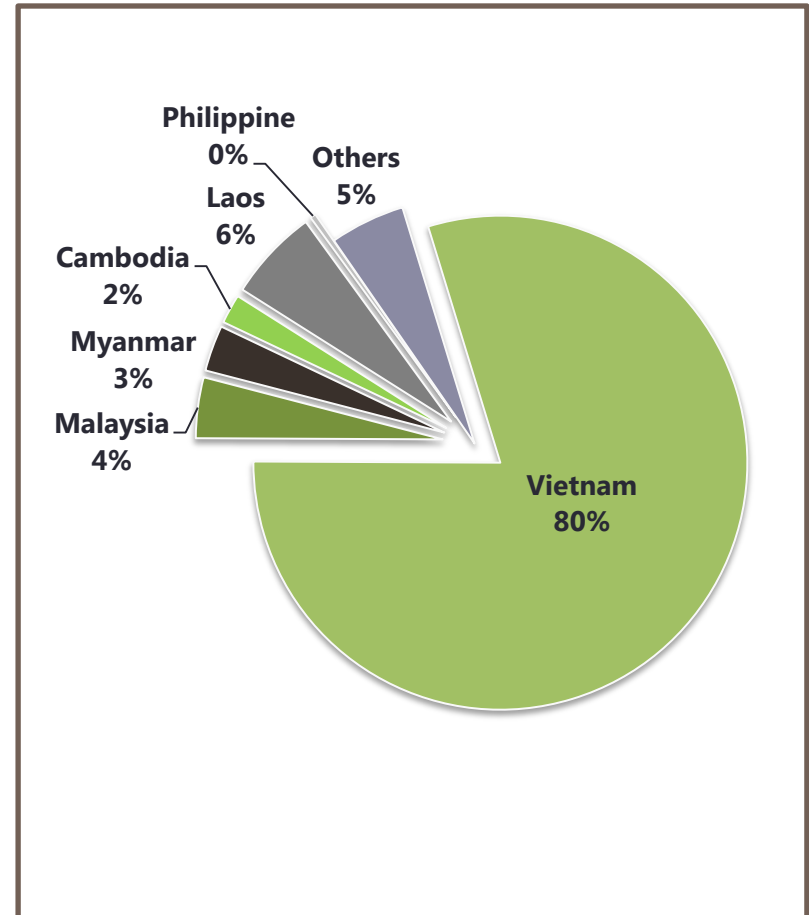
Overall International Sales



2015 International Sales



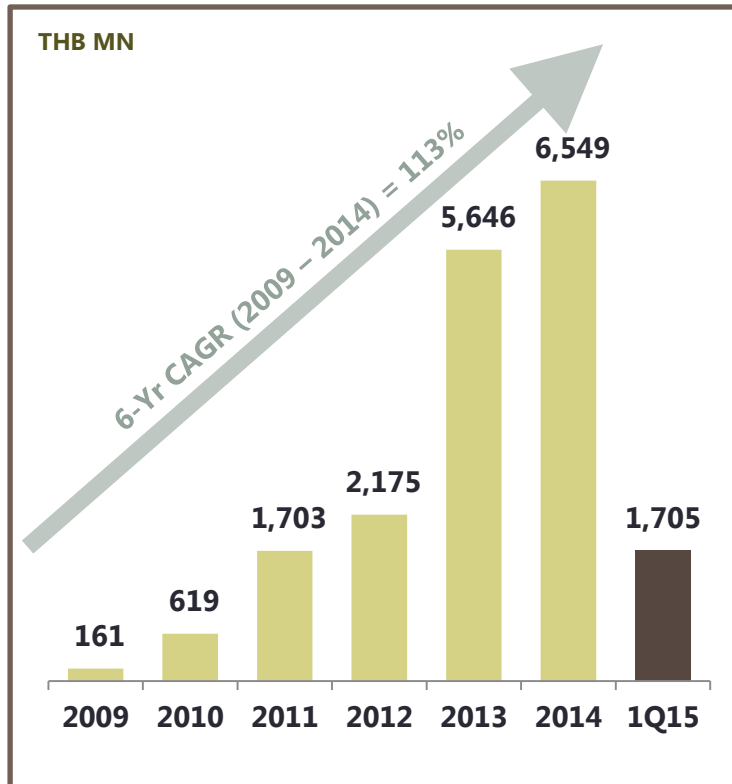
2015 International Sales Breakdown



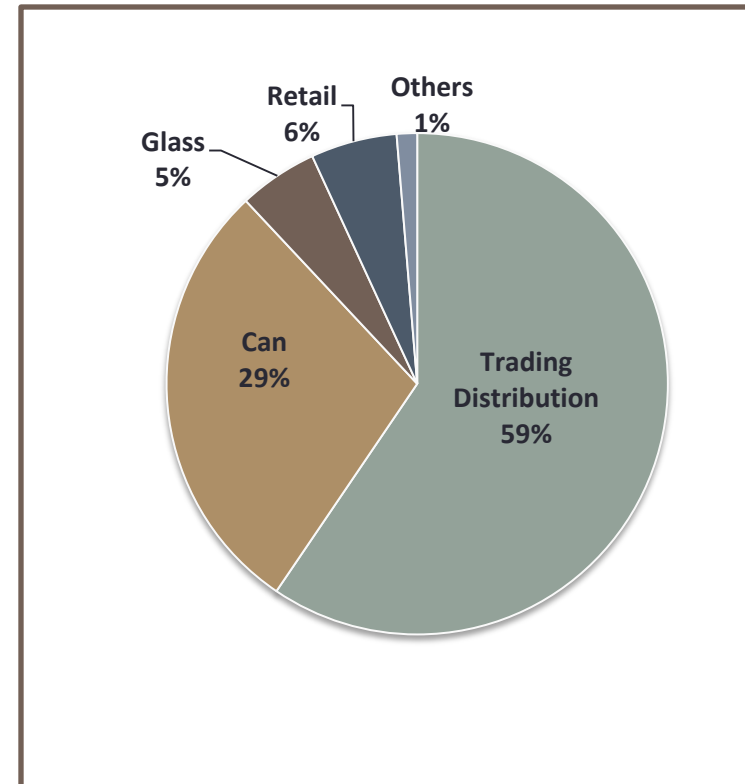
International Sales in Vietnam



2015 Vietnam Sales



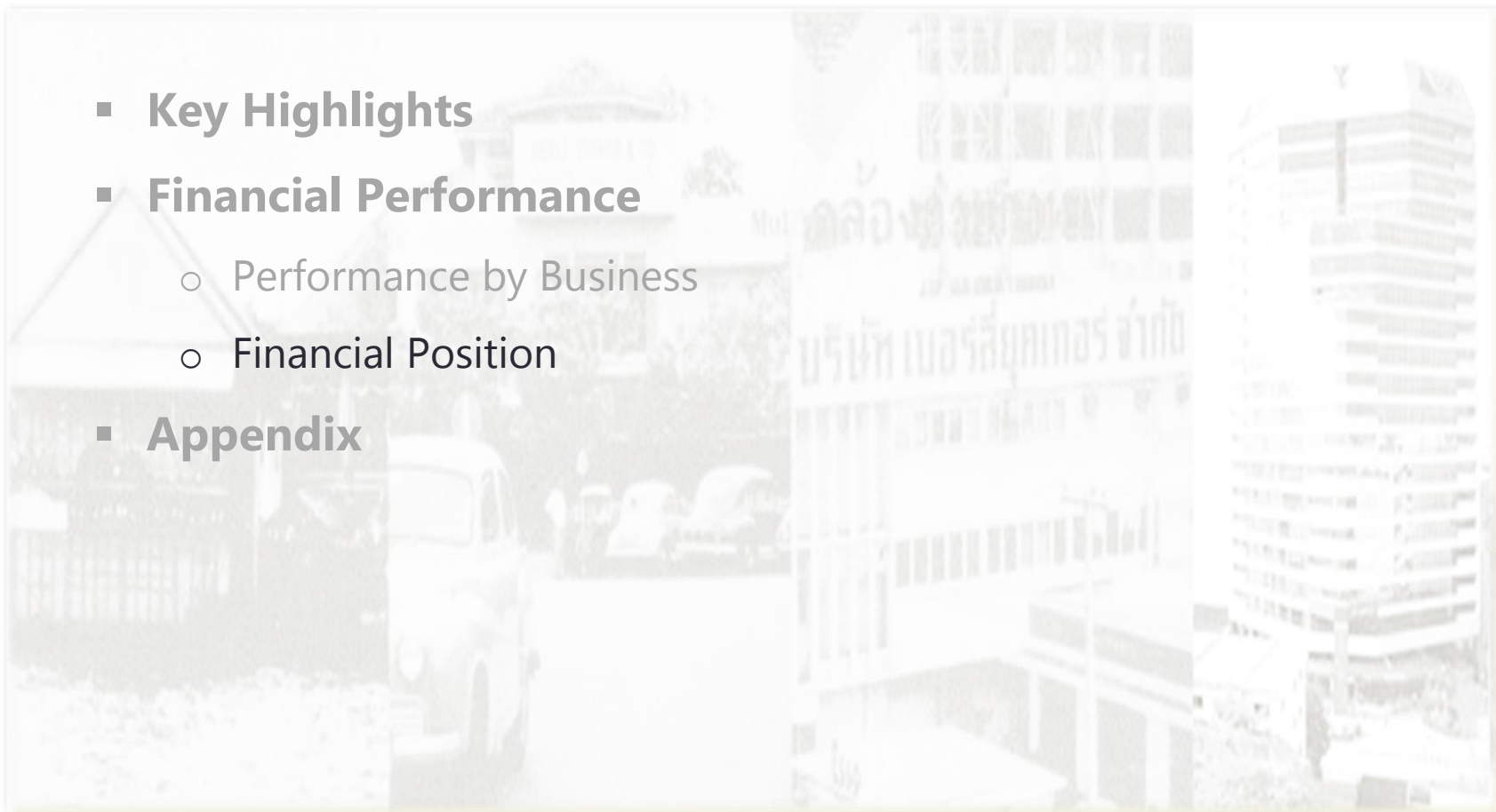
2015 Vietnam Sales Breakdown



Agenda



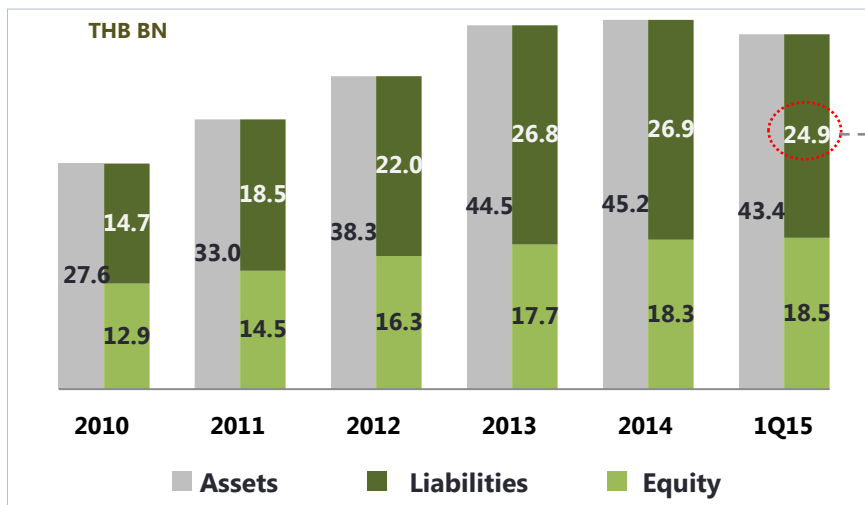
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Financial Position



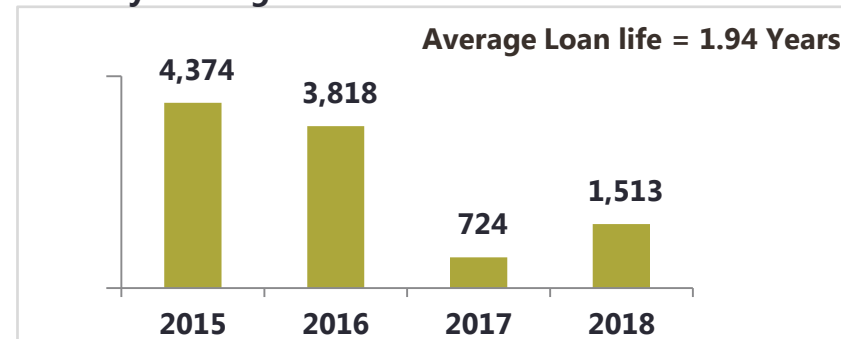
Balance Sheet



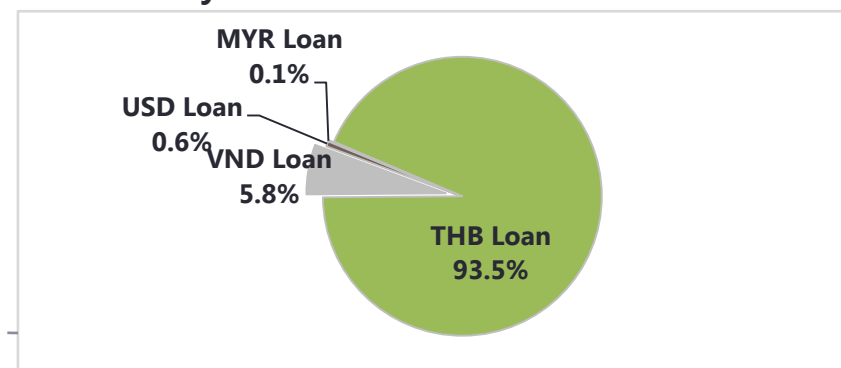
Interest Bearing Debt (IBD)



Maturity of Long-Term Loan



IBD Currency Breakdown



Thank You

For more information

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