



Analysts Day

August 16, 2013



Disclaimer

The information (“Confidential Information”) contained in this presentation is strictly confidential and is provided by Ananda Development Public Company Limited (the “Company”) to you solely for your reference. Neither this presentation nor any part thereof may be (i) used or relied upon by any other party or for any other purpose; (ii) copied, photocopied, duplicated or otherwise reproduced in any form or by any means; or (iii) redistributed, passed on or otherwise disseminated, to any other person either in your organization or elsewhere, without the prior written consent of the Company. By attending this presentation, participants agree not to remove this document, or any materials provided in connection herewith, from the conference room where such documents are provided without express consent from the Company. Although care has been taken to ensure that the Confidential Information in this presentation is accurate, and that the opinions expressed are fair and reasonable, the Confidential Information is subject to change without notice, its accuracy is not guaranteed, has not been independently verified and it may not contain all material information concerning the Company. None of the Company, or any of their respective members, directors, officers, employees or affiliates nor any other person accepts any liability (in negligence, or otherwise) whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

This presentation is for information purposes only and does not constitute or form part of any offer or invitation for sale or subscription of or solicitation or invitation of any offer to or recommendation to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract, commitment or investment decision in relation thereto in Thailand, United States or any other jurisdiction. Any such purchase should be made solely on the basis of the information contained in the announcements to the Stock Exchange of Thailand relating to such securities. No reliance may be placed for any purposes whatsoever on the information set forth in this presentation or on its completeness.

This presentation contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on a number of estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the Company. You are cautioned not to place undue reliance on these forward looking statements. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Such forward-looking statements are not guarantees of future performance and accordingly, the actual results, financial condition, performance or achievements of the Company may differ materially from those forecasted and projected or in the forward-looking statements.

Agenda

1. Q2 financial results
2. Sales progress
3. Backlog
4. Mobi progress
5. Revised guidance
6. Acquisitions
7. Launches in Q2
8. Future launch schedule
9. Finance pre-approval event
10. JV
11. Perp
12. Dividend

Reviewed FS 2Q13: Statements of comprehensive income

Currency: THB Million	3 Months				6 Months			
	2Q12A		2Q13A		1H12A		1H13A	
Total Revenues	1,851	100%	946	100%	2,238	100%	1,996	100%
Total Costs	(1,149)	-62%	(585)	-62%	(1,406)	-63%	(1,211)	-61%
SG&A	(292)	-16%	(426)	-45%	(573)	-26%	(732)	-37%
Share of Profit/(Loss)	(1)	0%	0	0%	(1)	0%	0	0%
EBITDA	409	22%	(65)	-7%	259	12%	53	3%
Depreciation	(34)	-2%	(14)	-1%	(42)	-2%	(36)	-2%
EBIT B4 FV Adjustment	376	20%	(78)	-8%	217	10%	17	1%
Negative Goodwill	-	0%	-	0%	-	0%	-	0%
Amortized Fair Value	(182)	-10%	(13)	-1%	(224)	-10%	(69)	-3%
EBIT	194	10%	(91)	-10%	(8)	0%	(52)	-3%
Interest Expenses (Buyout)	(101)	-5%	-	0%	(199)	-9%	-	0%
Interest Expenses	(2)	0%	(7)	-1%	(4)	0%	(15)	-1%
Deferred Tax	1	0%	31	3%	54	2%	41	2%
CIT	(54)	-3%	(29)	-3%	(63)	-3%	(65)	-3%
Net Profit/(Loss)	38	2%	(96)	-10%	(220)	-10%	(91)	-5%
			0					
Basic earning per share	0.02		(0.03)		(0.11)		(0.03)	
(Mil. hares)	2,000		3,333		2,000		3,333	

Key Ratios

	2Q12A	2Q13A	1H12A	1H13A
Gross Profit (%)	37.92%	38.17%	37.21%	39.32%
EBITDA (%)	22.11%	-6.83%	11.55%	2.66%
NPAT (%)	2.07%	-10.17%	-9.83%	-4.57%
NPAT (%) excl. Buyout	17.36%	-8.82%	9.10%	-1.10%

Reviewed FS 2Q13: Statements of financial position

Currency: THB Million	Consolidated				Separate			
	2012A		2Q13A		2012A		2Q13A	
Cash & Cash Equivalent	2,246	24%	1,270	11%	1,798	17%	403	3%
Inventory - Development Costs	6,015	63%	8,551	77%	3,780	36%	7,282	58%
Investment in Subsidiaries		0%	-	0%	3,541	34%	3,645	29%
Loan to Related Parties		0%	-	0%	104	1%	83	1%
Fixed Assets	530	6%	563	5%	131	1%	135	1%
Intangible Assets	155	2%	56	1%	25	0%	25	0%
Other Assets	549	6%	732	7%	986	10%	957	8%
Total Assets	9,494	100%	11,173	100%	10,366	100%	12,530	100%
Trade Accounts Payable	349	4%	769	7%	217	2%	569	5%
Advances Received from M-Fee	-	0%	-	0%	697	7%	643	5%
Advances Received from Customers	793	8%	992	9%	572	6%	896	7%
Interest Bearing Debts	2,149	23%	3,427	31%	2,014	19%	3,333	27%
Other Liabilities	1,133	12%	1,010	9%	880	8%	920	7%
Total Liabilities	4,424	47%	6,198	55%	4,381	42%	6,360	51%
Equities	5,544	58%	5,544	50%	5,544	53%	5,544	44%
Surplus and Legal Reserve	33	0%	30	0%	25	0%	25	0%
Retained Earnings	(507)	-5%	(598)	-5%	416	4%	601	5%
Total Shareholders' Equity	5,070	53%	4,975	45%	5,985	58%	6,170	49%
Total Liabilities and Equity	9,494	100%	11,173	100%	10,366	100%	12,530	100%
	-		-		-		-	

Key Ratios

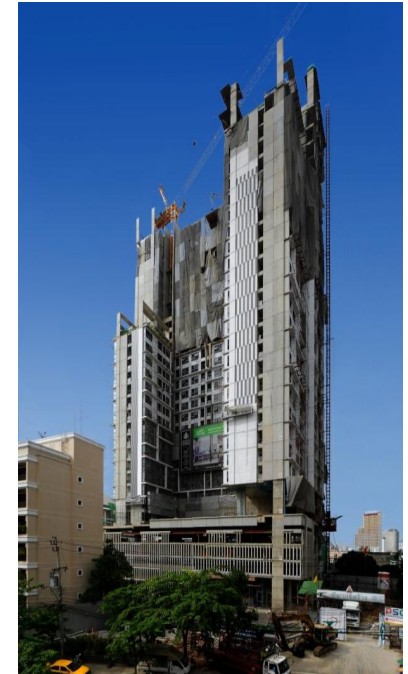
D/E
IBD/E
Net Gearing IBD/E
Net Book/Share

Consolidated	
2012A	2Q13A
0.87	1.25
0.42	0.69
Net Cash	0.43
1.52	1.49

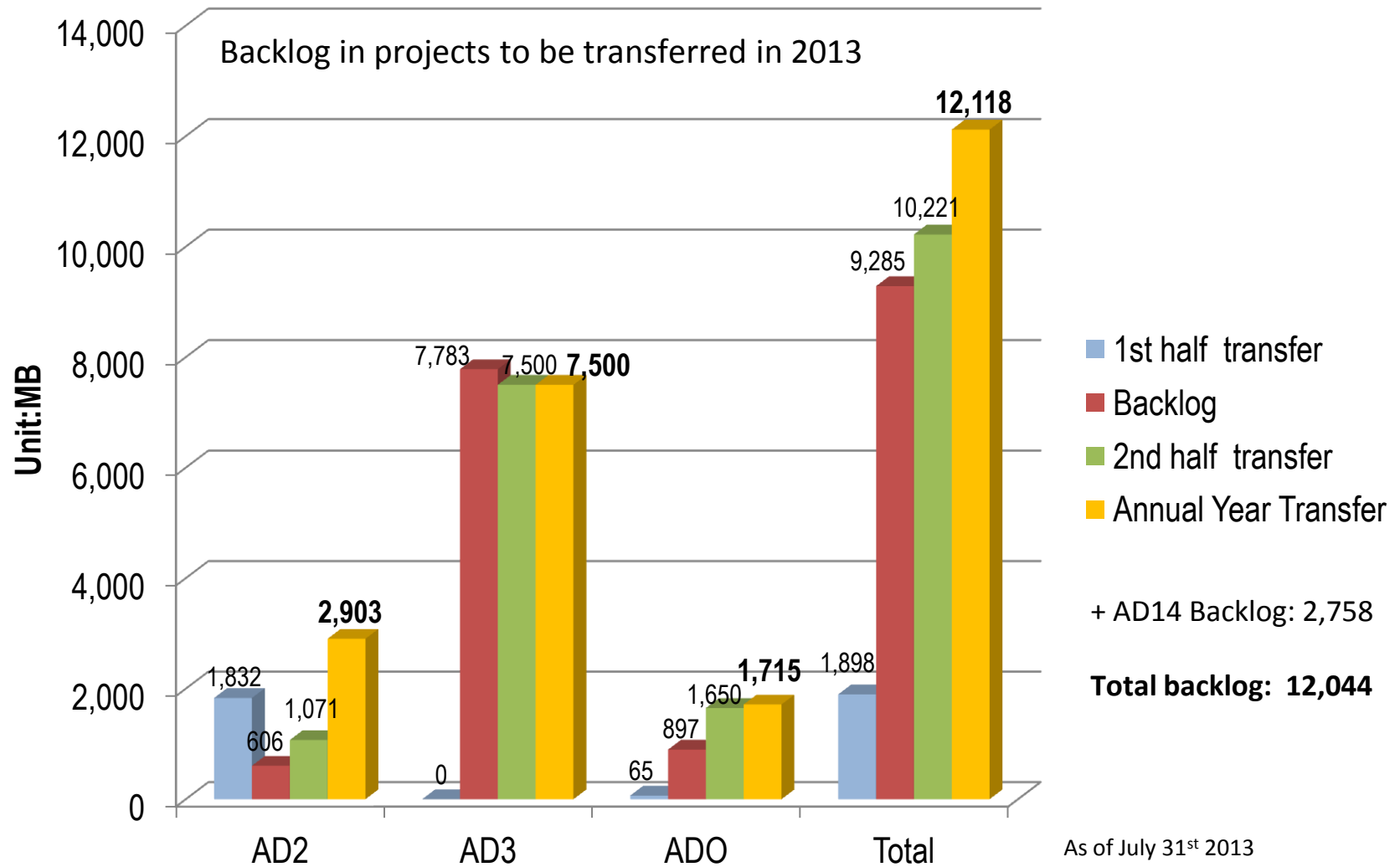
Separate	
2Q12A	2Q13A
0.73	1.03
0.34	0.54
0.04	0.47
1.80	1.85

Sales Progress

Project	Launched	Value (M Baht)	Sold	% Sold
AD2: Ashton Morph	March 2013	2,919	2,713	93%
AD3: Ideo Mobi Sukhumvit	November 2012	3,356	2,514	75%
AD3: Ideo Mobi Phayathai	November 2012	1,493	1,275	85%
AD3: Ideo Mobi Sathorn	November 2012	1,886	1,866	99%
AD3: Ideo Mobi Rama 9	November 2012	2,799	2,126	76%
ADO: Atoll	February 2013	8,273	1,003	12%
AD 14: Elio Phase A	March 2013	1,486	1,265	85%
AD14: Ideo Sathorn – Tha Phra	July 2013	3,618	1,508	42%



Backlog



Mobi Construction Progress



Item	Progress
Structural	99.55%
M&E	86.52%
Architectural	79.03%
Overall	87.91%



Item	Progress
Structural	99.85%
M&E	75.70%
Architectural	74.35%
Overall	83.78%

Mobi Construction Progress



Item	Progress
Structural	99.60%
M&E	42.00%
Architectural	62.00%
Overall	72.00%



Tower B



Item	Progress
Structural	99.87%
M&E	83.79%
Architectural	50.10%
Overall	76.73%

Mobi Construction Progress



Tower A

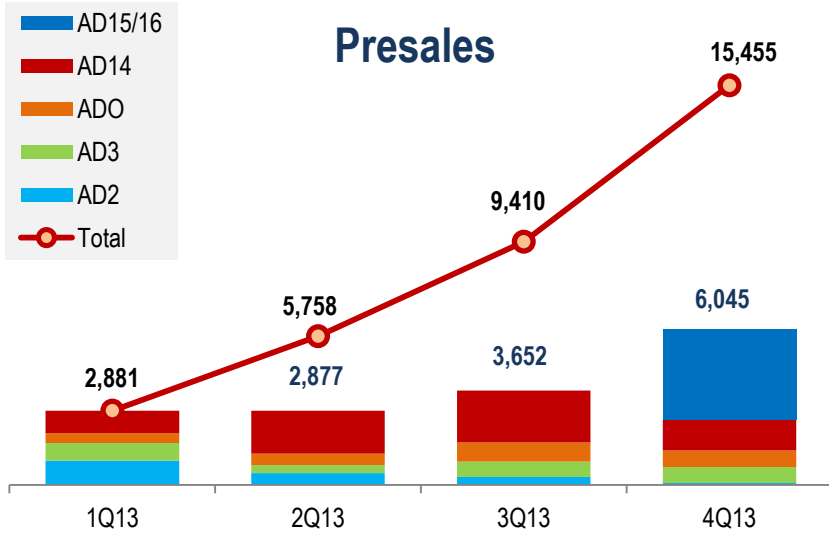


Item	Progress
Structural	100.00%
M&E	90.61%
Architectural	75.70%
Overall	87.40%

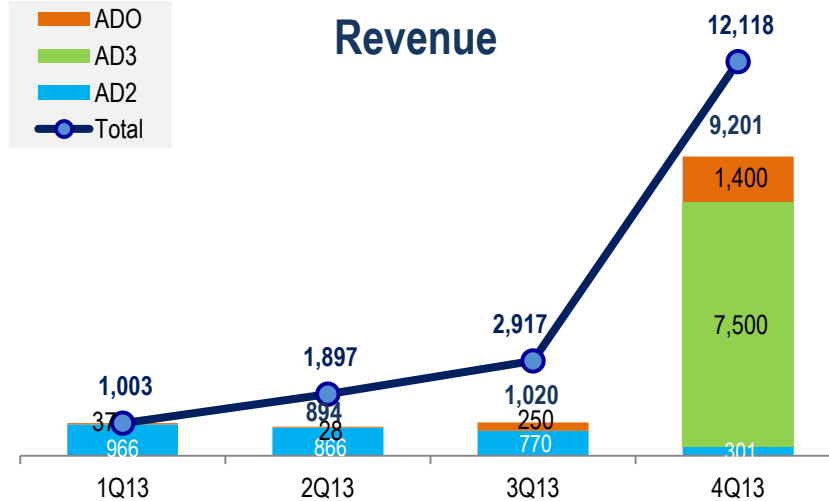


2013 Quarterly Sales & Transfers

All figures in millions Thai Baht



Presales	1Q13	Guidance 2Q13	Actual	Difference	3Q13	4Q13	Total
AD2	942	350	469	34%	312	77	1,800
AD3	680	500	301	-40%	600	618	2,200
ADO	384	800	443	-45%	740	650	2,217
AD14	874	900	1,664	85%	2,000	1,200	5,738
AD15/16						3,500	3,500
Total	2,881	2,550	2,877	13%	3,652	6,045	15,455



Revenue	1Q13	2Q13	Actual	3Q13	4Q13	Total
AD2	966	748	866	770	301	2,903
AD3					7,500	7,500
ADO	37	98	28	250	1,400	1,715
Total	1,003	846	894	1,020	9,201	12,118

2013 Acquisition Plan

in millions Thai Baht

Portfolio		Project Value (Business Plan)
Already Acquired	ADO: Atoll	8,273
	AD14: Elio SKV 64	5,100
	AD14: Ideo Wutthakat	2,100
	AD14: Ideo Sathorn-Tha Phra	3,618
	AD15: Charun/ Ratchatevee	5,439
	AD16: Rama IV	6,500
Subtotal		31,130
To be Acquired	AD15 (1 projects)	1,161
	AD15 (2 projects)	3,000
Subtotal		4,161
Grand Total		35,291

- ✓ Business Plan was to acquire ADO plus 9 land plots close to mass transit stations
- ✓ Have already acquired 6 of the 9 mass transit plots
- ✓ The remaining 3 to be acquired in the second half
- ✓ AD16 is in addition to original plan.

Acquisitions in Q2

Name	Cost (M Baht)	Project Value (M Baht)	Launch	Transfer
Charun	739	3,565	Q4 2013	2015

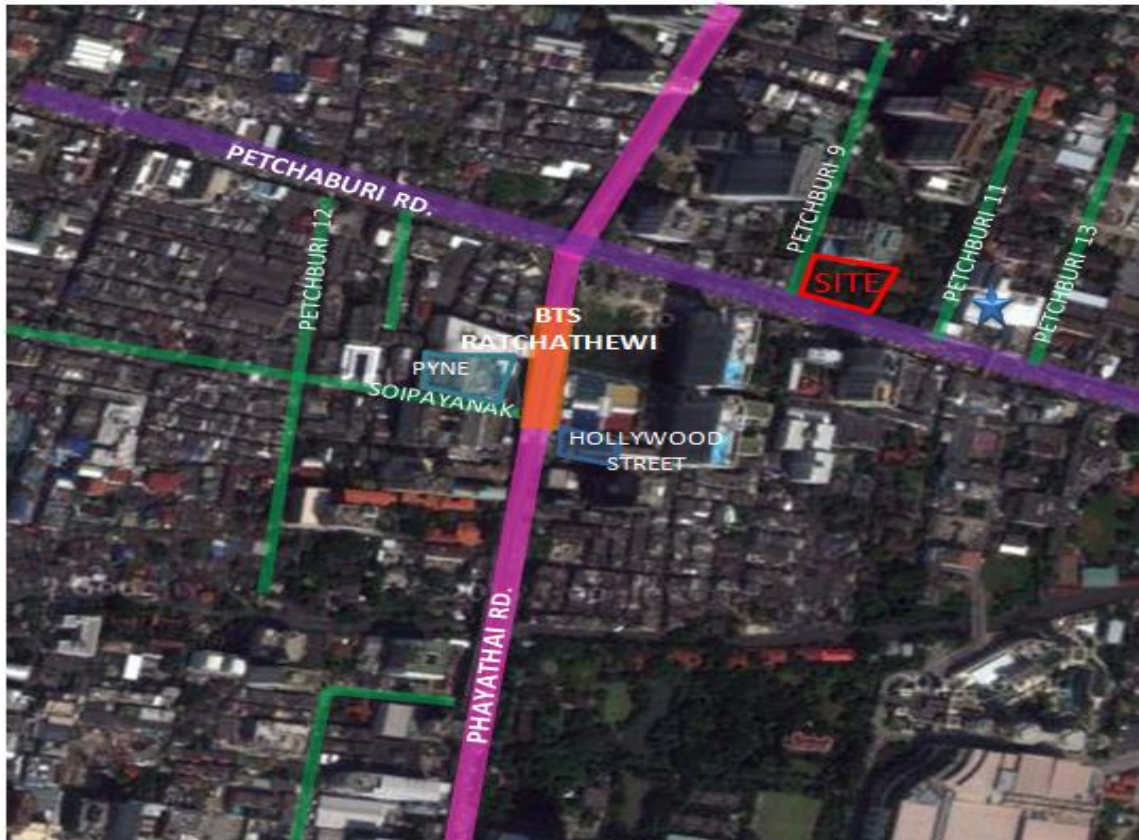


Key Notes

- ✓ Located on triple station (MRT Bangkhunnon, Red Line, Orange station)
- ✓ Situated in potential location direct to CBD
- ✓ Major hospital just 1 train station away (Thonburi, Siriraj Hospital)

Acquisitions in Q2

Name	Cost (M Baht)	Project Value (M Baht)	Launch	Transfer
Ratchatevee	482	1,874	Q4 2013	2015



Key Notes

- ✓ Close to Phayathai, CBD Area
- ✓ Not far from shopping mall (Panthip Plaza, Platinum, Central World, Gaysorn Plaza, Siam Paragon, MBK)
- ✓ Can walk to BTS Ratchathewi just about 3 minutes or 300 meters

Acquisitions in Q2


Name	Cost (M Baht)	Project Size (M Baht)	Launch	Transfer
Rama IV	1,418	6,500	End Oct	2016



Key Notes

- ✓ Prime location with easy access to MRT, Train, and Highways
- ✓ Close proximity to Chulalongkorn University, 1st class school

Launches in Q2

Name	Project Value (M Baht)	Project (Unit)	Sold (M Baht)	% sold	Launched	Transfer
	3,618	1,339	1,508	42%	July 2013	2014



Launch schedule 2H

Project	Quarter 3	Quarter 4
IDEO S11	 2,100 Million Baht	
ELIO Phase II	 3,600 Million Baht	
Housing Business	 n/a	
Rama IV		6,500 Million Baht
Charun		3,565 Million Baht
Ratchatevee		1,874 Million Baht
IDEO New Project		1,100 Million Baht
Total	5,700 Million Baht	13,039 Million Baht



19 Billion Baht in new launches in second half

Mobi Finance Pre-approval Event



Mobi Pre-approval Event

Total Units	Sold Unit	Sold Value (MB)	Total Appointment	Final process (Units)	Value of units (MB)
2,497	2,172	7,726	1,728	1,331	4,699

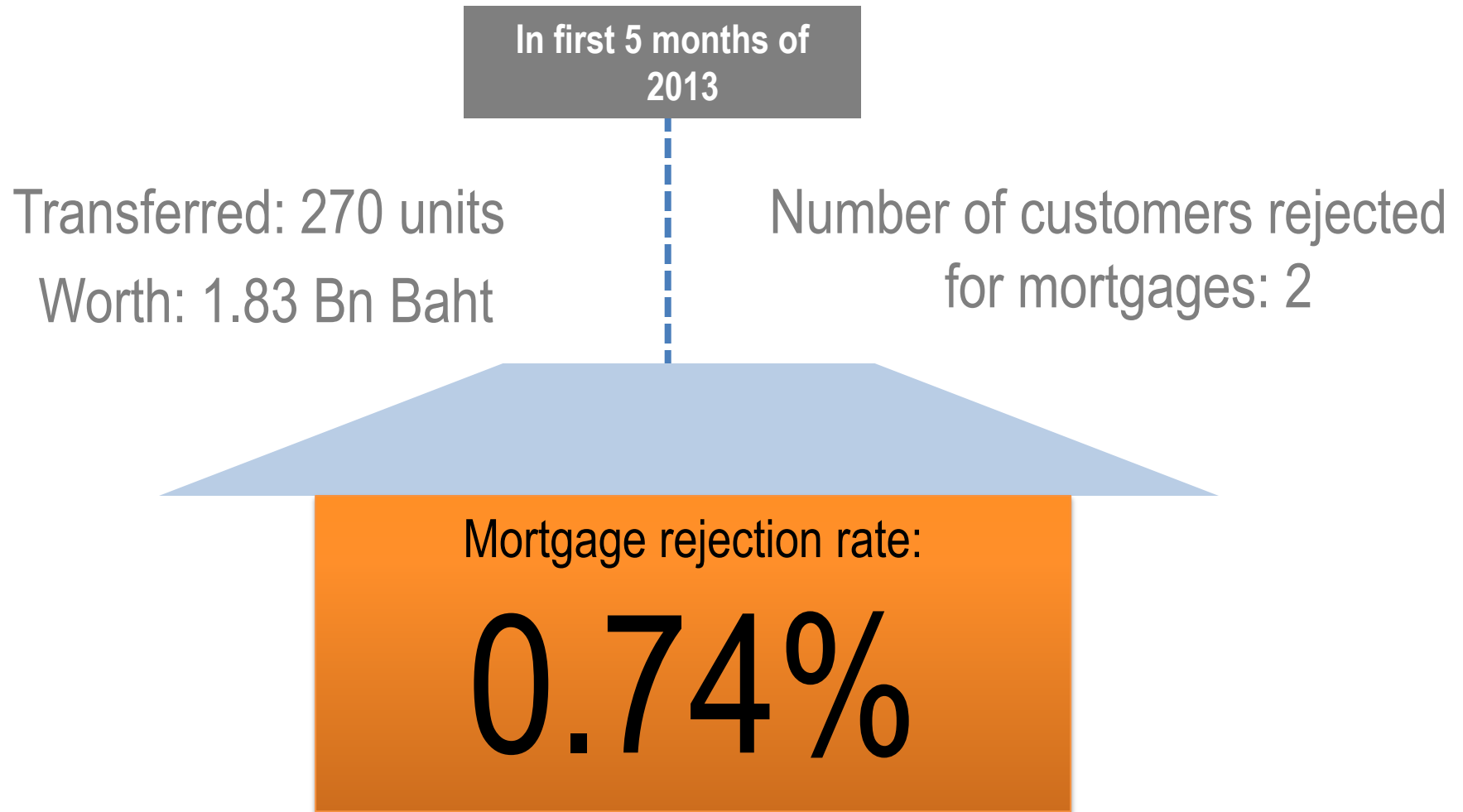
Result from Survey

Reason to buy						Transfer Method		
Project	Owner occupier	Rent	Resell	No decision	Others	Cash	Mortgage	No decision
Sathorn	242	61	32	34	0	125	227	12
Phayathai	128	25	16	23	0	67	114	10
Sukhumvit A	102	40	11	31	0	61	116	7
Sukhumvit B	123	67	18	34	1	77	156	8
Rama 9	159	103	27	54	0	113	210	16
Sathorn	754	296	104	176	1	443	823	53
	57%	22%	8%	13%	0%	33%	62%	4%

Bank Application Volume

Project	ธนาคารกรุงไทย KRUNGTHAI BANK	ธนาคารธนชาต Thanachart Bank	ธนาคารกรุงเทพ Bangkok Bank	SCB ไทยพาณิชย์	UOB ยูบีเอ
Sathorn	147	132	129	117	86
Phayathai	76	64	68	53	45
Sukhumvit A	65	59	70	62	45
Sukhumvit B	94	95	94	80	66
Rama 9	130	140	119	125	96
Total	512	490	480	437	338

Mortgage rejection rates



Joint Venture



- ✓ Ananda MF Asia Co., Ltd, a joint venture company with SEA Investment Five Pte. Ltd.
- ✓ SEA Investment Five Pte. Ltd. is wholly owned by Mitsui Fudosan (Asia) Pte. Ltd., wholly owned by Mitsui Fudosan Co., Ltd.
- ✓ Mitsui Fudosan Co., Ltd. is the largest real estate development company by revenue in Japan.
- ✓ Mitsui Fudosan's Revenue was in excess of 14,000 Mil USD in 2012.
- ✓ Source of capital and technology for Ananda



Joint Venture

- ✓ Ananda MF Asia Co.,Ltd, a joint venture company with Mitsui Fudosan, has purchased a land plot close to the Samyan MRT Station in the Rama IV road area.
- ✓ Total Area is 5-3-63 Rai.

Project Name	Land Cost (M Baht)	Project Size (M Baht)	Launch	Transfer
Rama IV	1,418	6,500	End Oct	2016



Overview

- ❖ There are a large number of available land plots for sale in the right locations near mass transit stations at the right price to allow us to offer affordable units and maintain margins.
- ❖ Demand for affordable condominiums near mass transit stations remains strong, as our recent launches show.
- ❖ Current management capacity is sufficient to launch additional projects. With improvements in HR continuing all the time.
- ❖ For condominium construction, there is additional capacity at favored contractors and Helix continues to expand its capacity.

Results of EGM

- For reasons stated above management believes the market is suitable for additional investment and capacity exists internally and externally to deliver more condos.
- The funding market is currently volatile.
- Management has been granted optionality to be ready to issue when market volatility swings to being liquid and reasonable cost.
- Management will not issue an instrument unless the company believes it can earn a spread of at least 15% between the cost of funding and the expected IRR of the projects management intends to use the funding for.

**Land, customer demand, HR and contractors are all available.
The only factor constraining our growth is inadequate capital.**

Hybrid

Constraints on capital raising:

- ❖ The management does not wish to dilute existing shareholders.
- ❖ The management does not want to lever up excessively and have a high D/E ratio.
- ❖ As mentioned, a spread of at least 15% between cost of funding and projected IRR
- ❖ Discussions with our bankers have led to the conclusion that a hybrid instrument is the best way for the company to increase capital available for investment without diluting shareholders or raising the D/E ratio
- ❖ The hybrid instrument contemplated as the most likely instrument is called a perpetual security.
- ❖ Perps are common instruments outside of Thailand. There are several of these instruments issued every week internationally, thus international investors understand these as a routine form of financing for companies.
- ❖ For Thai companies, only PPTEP has issued a perp to date, and has announced it intends to do a second

The key terms are:

- ✓ Treated as equity – IFRS allow it to be treated as equity thus it has no effect on D/E ratio
- ✓ No convertibility – cannot be converted to shares and dilute shareholders
- ✓ No call by buyers – there is no requirement for the company to pay back the principle or the bi-annual coupon payments. This is the reason for the equity treatment.
- ✓ Unsecured – no recourse by buyers except to appeal for winding up in case of breach of terms
- ✓ Interest step up – there is a large step up in interest rate after a number of years. This is designed to encourage the company to repay the principle at the point of step up
- ✓ Limitation on dividend – company may not issue dividends unless it is up to date on the payments on the perp. I.e. shareholders can not take money out of the company unless payments on the perp are up to date.
- ✓ Coupon payments tax deductible
- ✓ Coupon payments come out of RE and don't affect NPAT

List of Perpetual Bond Issuance By Asian Corporates

Issue Date	Issuer	Country	Ccy	Issue Size	Issue Ratings (M/S/F)	Coupon (%)	Maturity Date	First Call Date	Sector
11-Jan-12	International Container Terminal Services	Philippines	USD	150,000,000	NR	8.375	Perpetual	05-May-16	Transportation
19-Jan-12	Global Logistic Properties Ltd	Singapore	SGD	250,000,000	NR/NR/BBB-	5.500	Perpetual	07-Apr-17	Real Estate/Property
17-Feb-12	Cheung Kong Infrastructure Holdings Ltd	Hong Kong	USD	300,000,000	NR	7.000	Perpetual	27-Feb-14	Infrastructure
22-Feb-12	Olam International Ltd	Singapore	SGD	275,000,000	NR	7.000	Perpetual	01-Mar-17	Agricommodities
01-Mar-12	Genting Singapore plc	Malaysia	SGD	1,800,000,000	Baa3/NR/BBB	5.125	Perpetual	12-Sep-17	Hospitality / Gaming
08-Mar-12	Mapletree Logistics Trust	Singapore	SGD	350,000,000	Baa3/NR/NR	5.375	Perpetual	19-Sep-17	Real Estate/Property
13-Apr-12	Ascendas Pte Ltd	Singapore	SGD	300,000,000	NR	4.750	Perpetual	18-Apr-17	Real Estate/Property
18-Apr-12	Genting Singapore plc	Malaysia	SGD	500,000,000	NR/NR/BBB-	5.125	Perpetual	18-Oct-17	Hospitality / Gaming
25-Apr-12	Hotel Properties Ltd	Singapore	SGD	150,000,000	NR	6.125	Perpetual	04-May-17	Hospitality / Gaming
02-May-12	Hutchison Whampoa International (12) Ltd	Hong Kong	USD	1,000,000,000	Baa3/BBB/BBB	6.000	Perpetual	07-May-17	Holding Companies
18-Jul-12	Mapletree Treasury Services Ltd	Singapore	SGD	600,000,000	NR	5.125	Perpetual	25-Jul-17	Real Estate/Property
05-Sep-12	Ezion Holdings Ltd	Singapore	SGD	125,000,000	NR	7.800	Perpetual	14-Sep-15	Oil & Gas
07-Sep-12	Ezra Holdings Ltd	Singapore	SGD	150,000,000	NR	8.750	Perpetual	18-Sep-15	Oil & Gas
14-Sep-12	Swiber Holdings Ltd	Singapore	SGD	80,000,000	NR	9.750	Perpetual	25-Sep-15	Oil & Gas
01-Nov-12	Li & Fung Ltd	Hong Kong	USD	500,000,000	Baa2/BBB/NR	6.000	Perpetual	25-May-18	Consumer / Retail
30-Nov-12	China Guodian Corp	China	USD	400,000,000	NR	5.250	Perpetual	07-Dec-15	Utility & Energy
04-Dec-12	Shui On Development (Holding) Ltd	China	USD	500,000,000	NR	10.125	Perpetual	10-Dec-17	Real Estate/Property
11-Jan-13	Agile Property Holdings Ltd	China	USD	700,000,000	NR	8.250	Perpetual	18-Jan-18	Real Estate/Property
16-Jan-13	Cheung Kong (Holdings) Ltd	Hong Kong	USD	500,000,000	NR	5.375	Perpetual	24-Jan-18	Infrastructure
29-Jan-13	Reliance Industries Ltd	India	USD	800,000,000	Baa2/BBB/NR	5.875	Perpetual	05-Feb-18	Oil & Gas
30-Jan-13	Petron Corp	Philippines	USD	500,000,000	NR	7.500	Perpetual	06-Aug-18	Oil & Gas
06-Mar-13	Petron Corp	Philippines	USD	250,000,000	NR	7.500	Perpetual	06-Aug-18	Oil & Gas
26-Mar-13	Beijing Capital Land	China	USD	400,000,000	NR	8.375	Perpetual	08-Apr-18	Real Estate/Property
25-Apr-13	Sinochem Group	China	USD	600,000,000	Baa3/NR/BBB-	5.000	Perpetual	02-Nov-18	Oil & Gas
14-May-13	CITIC Pacific Ltd	China	USD	800,000,000	NR	8.625	Perpetual	22-Nov-18	Metals & Mining
17-May-13	Guocoland	Singapore	SGD	200,000,000	NR	4.700	Perpetual	27-May-16	Real Estate/Property
20-May-13	CITIC Pacific Ltd	China	USD	200,000,000	NR	8.625	Perpetual	22-Nov-18	Metals & Mining

Source: Dealogic DCM Analytics, Issuance Period Jan-2012 till date

Summary of First Half

- Sales above guidance
- Revenue above guidance
- Construction of condos ahead of plan
- Acquisitions ahead of plan
- Housing behind schedule
- Profit lower than market expected due to more acquisitions and greater sales
- Positive surprise with JV
- Larger than expected future pipeline from acquisitions
- Potential of complete revaluation of company due to perp doubling equity base

Dividend

- ❖ The company's intention has always been to provide investors with a good dividend as well as capital growth.
- ❖ Our stated policy has been to pay a dividend when the Board thought it was appropriate and prudent.
- ❖ The company has over 600 million Baht in retained earnings as of the end of the second quarter with all of our profits for the year still to come in the second half.
- ❖ Our expectation is that when we look at the year end results the company will be in a position that makes paying a dividend the correct decision for the company.

Thank you



Ananda Development PLC
2013

Contact:

Dr. John Millar

Head of IR

Ananda Development Public Company Limited

john@ananda.co.th

+662 697 3300 Mobile: +66 877 99 1946