



# Berli Jucker Public Company Limited



## Analyst Meeting – FY 2007

March 12, 2008



# Note on Forward Looking Statements



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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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



- 1** *Key Highlights FY2007*
- 2** **Business Performance**
- 3** **Financial Highlights**
- 4** **Looking Forward**

# Well Diversified Businesses



## Packaging products Group

42% of Sales

47% of Net Profit

**Thai Glass Industries**

Glass Bottle

**BJC Glass**

Sales and Marketing glass product

**Thai Beverage Can**

Aluminum Can

**Berli Dynaplast**

Rigid Plastic Container

## Consumer products & Logistics Group

32% of Sales

17% of Net Profit

**Berli Jucker Cellox**

Tissue Paper

**Berli Jucker Foods**

Snack Food

**Rubia Industries**

- Personal care
- Confectionery
- Contract Manufacturing

**BJC Marketing**

Marketing & Distribution

**BJC Logistics**

Logistic Services

## Technical & Industrial products Group

26% of Sales

36% of Net Profit

**BJC Healthcare**

- Pharmaceuticals
- Medical Equipment & Supplies
- Technical imaging products

**Berli Jucker Specialties**

Industrial and food Ingredients

**BJC Industrial And Trading**

- Graphic Systems
- Stationery
- Engineering Products & Services

**Thai-Scandic Steel**

Steel Structures

**Berli Asiatic Soda**

Soda Ash

**BJC International**

Overseas Investment and Operations

*Note: % of Sales and EBITDA for the year 2007*



# Key Highlights – FY 2007



## BJC group

- Sales rose 8.7% Y-on-Y mainly due to the healthy growth in three core businesses i.e. technical and industrial products, packaging products and consumer products.
- Although gross margin declined slightly to 24.0% in 2007, down from 24.9% in 2006, EBITDA strongly increased 10.9% Y-on-Y.
- Net profit margin improved to 6.5% in 2007, up from 5.5% in 2006, due to increase in gross profit margin of technical and industrial products and consumer products.

## Packaging products

- Sales increased 7.4% Y-on-Y. Gross margin slightly declined to 18.8% in 2007, down from 19.2% in 2006, due to raw material and oil price surge. However, it was partly offset by more usage of natural gas instead of oil.
- Net margin improved to 7.3% in 2007, up from 5.8% in 2006 due to EBITDA solidly increased 10.9% Y-on-Y.

## Consumer products

- Sales increased 3.6% Y-on-Y. Gross margin rose slightly to 28.5% in 2007, up from 28.1% in the previous year.
- EBITDA rose considerably 15.9% Y-on-Y. Net margin improved to 3.2% in 2007, up from 2.4% in 2006

## Technical and Industrial products

- Sales increased significantly 18.5% Y-on-Y. Gross margin improved to 31.7% in 2007, up from 30.4% in 2006, resulting in the significant jump in net profit margin to 9.3% in 2007, up from 5.8% in 2006.
- EBITDA outstandingly increased 64.5% Y-on-Y.

## Accounting policy on TBC acquisition

- In November 2007, BJC acquired a 50% interest in Thai Beverage Can Ltd (“TBC”) from companies in TCC group. On the accounting standpoint, the business consolidation will be conducted thru method similar to a pooling of interest accounting practice. As a result, BJC’s equity is reduced by an amount equal to difference between cash paid to acquire TBC and TBC’s equity value.

# Consolidated Financial Highlights – FY 2007



THB Million	Q4, 07	Q3, 07	QoQ (%)	Q4,06	YoY (%)	FY 2007	FY 2006	%YoY
<b>Sales</b>	<b>5,096</b>	<b>4,801</b>	<b>6%</b>	<b>4,677</b>	<b>9%</b>	<b>19,162</b>	<b>17,622</b>	<b>9%</b>
Packaging	2,258	1,954	16%	2,152	5%	8,092	7,534	7%
Consumer	1,493	1,578	-5%	1,540	-3%	6,167	5,953	4%
Industrial & Trading	1,339	1,265	6%	982	36%	4,887	4,125	18%
Others	5	5	15%	3	103%	17	6	177%
<b>Expenses</b>								
COGS	4,100	3,499	17%	3,586	14%	14,558	13,239	10%
% of sales	80%	73%	n.a.	77%	n.a.	76%	75%	
SG&A	565	791	-29%	714	-21%	2,916	3,080	-5%
% of sales	11%	16%	n.a.	15%	n.a.	15%	17%	
<b>Profitability</b>								
Gross Profit	996	1,302	-23%	1,091	-9%	4,604	4,383	5%
EBIT	496	580	-14%	472	5%	1,925	1,703	13%
EBITDA	734	827	-11%	696	5%	2,876	2,564	12%
Net Profit	353	371	-5%	263	34%	1,255	989	27%
<b>Margin (%)</b>								
Gross Profit	19.6%	27.1%	(7.6)	23.3%	(3.8)	24.0%	24.9%	(0.8)
EBIT	9.7%	12.1%	(2.3)	10.1%	(0.3)	10.0%	9.7%	0.4
EBITDA	14.4%	17.2%	(2.8)	14.9%	(0.5)	15.0%	14.6%	0.5
Net Profit	6.9%	7.7%	(0.8)	5.6%	1.3	6.5%	5.6%	0.9

Source: Company's Consolidated Financial Statements



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# Packaging Products

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**Packaging  
Products**

**Consumer  
Products**

**Technical &  
Industrial  
Products**

# Packaging Products Cash Cow



## Packaging Products

2007 Sales = 8,092 MB

2007 EBITDA = 1,628 MB

2007 Net Profit = 607 MB

### Glass

#### Glass Containers

66% of Sales

76% of EBITDA

73% of Net Profit



### Thai Beverage Can <sup>(1)</sup>

#### Aluminum Can

34% of Sales

23% of EBITDA

24% of Net Profit



### Berli Dynaplast <sup>(2)</sup>

#### Rigid Plastic Containers

% of Sales: N/A

1% of EBITDA

3% of Net Profit



(1) BJC acquired 50% of Thai Beverage Can Co., Ltd. in November 2007.

(2) BJC holds 49% of Berli Dynaplast.

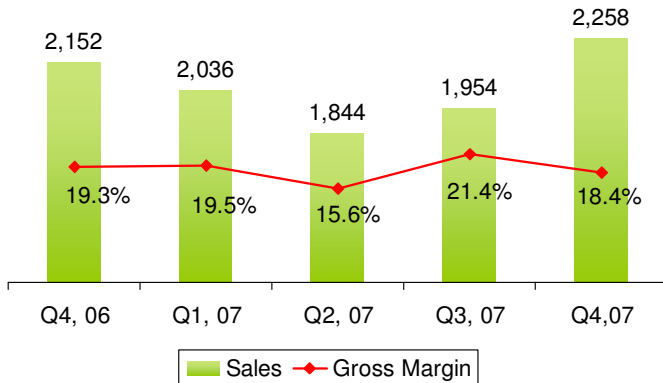
Packaging business contributes the highest sales 42% and net profit of 47% to BJC

# Packaging Products Highlight



## Sales

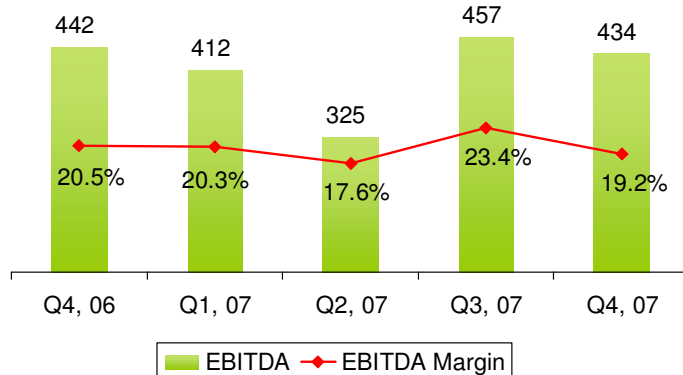
Million Baht



- Q4, 07 sales up 15.5% Q-on-Q and up 4.9% Y-on-Y. Strong sales in Q4 came from beer and whisky segments
- Gross profit margin slightly declined from 21.4% in Q3,07 and 19.3% in Q4,06 to 18.4% in Q4,07 due to the increasing in oil and soda ash prices.
- Q4, 07 EBITDA down 4.9% Q-on-Q and relatively flat Y-on-Y
- Q4, 07 Net Profit up 18.0% Q-on-Q and up 44.0% Y-on-Y

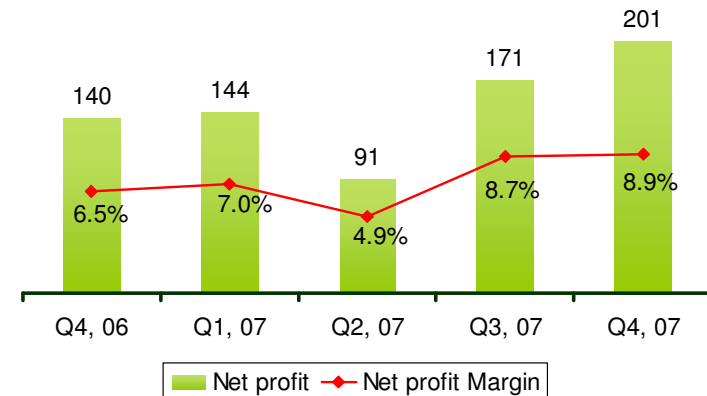
## EBITDA

Million Baht



## Net Profit

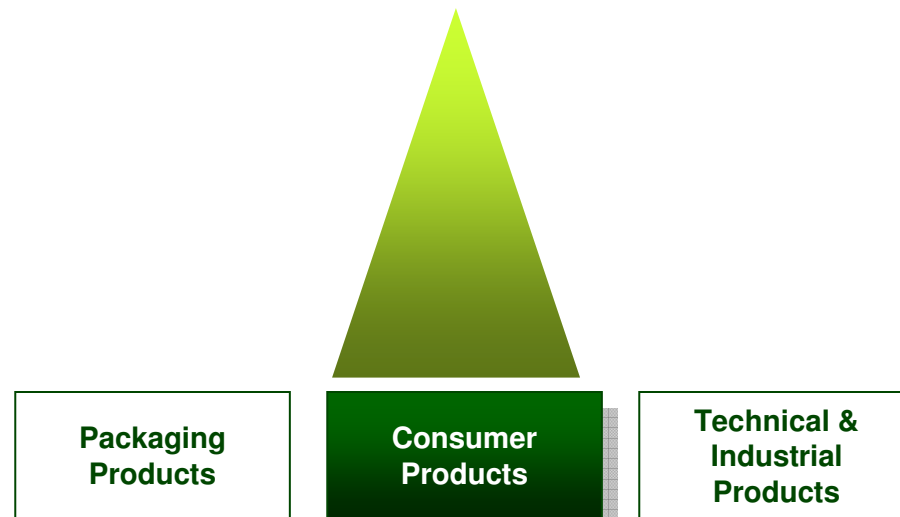
Million Baht





# Consumer Products

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# Consumer Products

## Leading Position in the Market



### Consumer Products

2007 Sales = 6,167 MB

2007 EBITDA = 535 MB

2007 Net Profit = 200 MB



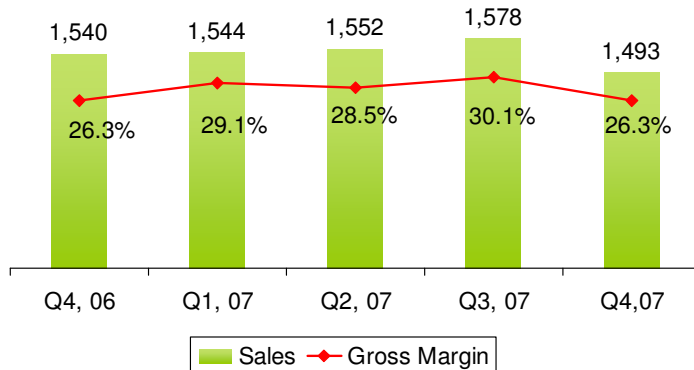
Consumer product business contributes revenue of 32% and net profit of 17% to BJC.

# Consumer Products Highlight



## Sales

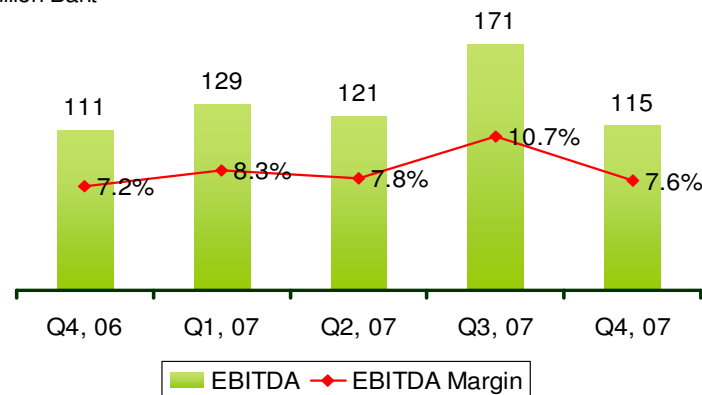
Million Baht



- Q4, 07 Sales slightly dropped 5.4% Q-on-Q and 3.0% Y-on-Y due to insufficient supply of fresh potato chips
- Gross profit margin decreased from 30.1% in Q3,07 to 26.3% in Q4,07 but relatively stable comparing with Q4,06. The decline in gross profit margin came from BJC Foods and Rubia Industry due to surging in cost of raw material in such as palm oil, tallow etc.
- Q4, 07 EBITDA down 32.8% Q-on-Q but up 2.8% Y-on-Y
- Q4, 07 Net profit down 42.0% Q-on-Q but up 2.9% Y-on-Y

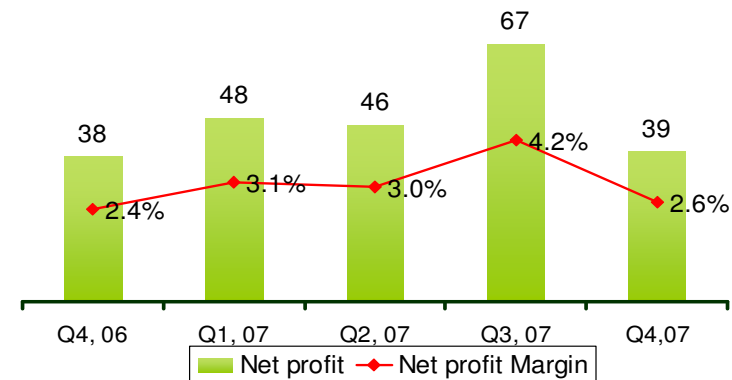
## EBITDA

Million Baht



## Net Profit

Million Baht





# Technical & Industrial Products

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**Packaging  
Products**

**Consumer  
Products**

**Technical &  
Industrial  
Products**

# Technical & Industrial Products High Potential Sectors



## Technical & Industrial Products

2007 Sales = 4,887 MB

2007 EBITDA = 686 MB

2007 Net Profit = 434 MB

BJC Healthcare	BJC Specialties	BJC Industrial & Trading	Thai-Scandic Steel	Berli Asiatic Soda <sup>(1)</sup>
Pharmaceuticals	Specialty Ingredients	Graphic Systems	Galvanized Steel Structures	Soda Ash
Consumer HealthCare	Industrial Ingredients	Stationery		
Medical Supplies	Bakery & Feed Ingredients	Engineering Products & Services		
Medical Imaging & Equipment	Cosmetic & Health Care Ingredients			
<i>47% of sales</i>	<i>22% of sales</i>	<i>19% of sales</i>	<i>12% of sales</i>	<i>% of sales: N/A</i>
<i>72% of EBITDA</i>	<i>11% of EBITDA</i>	<i>9% of EBITDA</i>	<i>6% of EBITDA</i>	<i>2% of EBITDA</i>
<i>70% of Net Profit</i>	<i>10% of Net Profit</i>	<i>7% of Net Profit</i>	<i>10% of Net Profit</i>	<i>3% of Net Profit</i>

Technical and Industrial business contributes revenue of 26% and net profit of 36% to BJC.



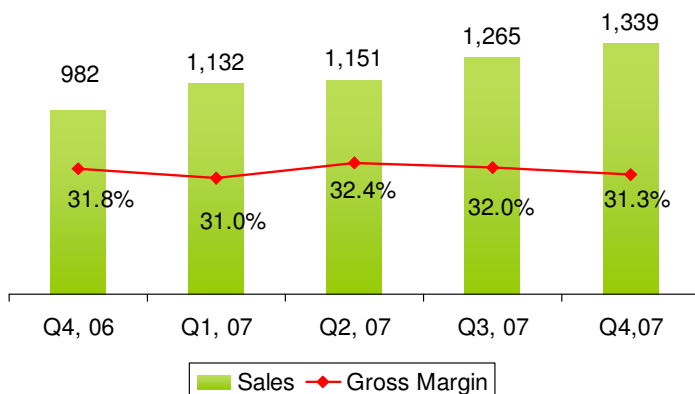
(1) BJC holds 50% of Berli Asiatic Soda.

# Technical & Industrial Products Highlight



## Sales

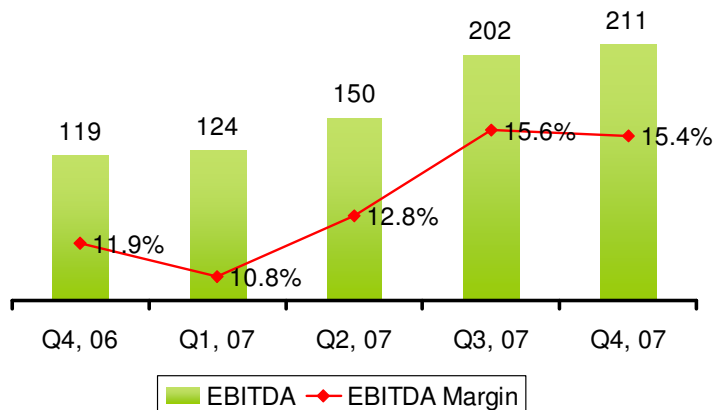
Million Baht



- Sales up 5.9% Q-on-Q, and 36.4% Y-on-Y. Strong sales increases were from steel structure and healthcare businesses
- EBITDA up 4.8% Q-on-Q and up 77.1% Y-on-Y due to strong growth in healthcare businesses
- Net profit up 4.3% Q-on-Q and 84.7% Y-on-Y

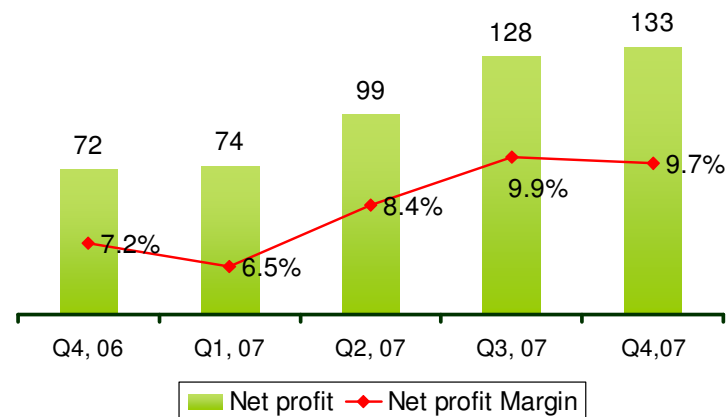
## EBITDA

Million Baht



## Net Profit

Million Baht





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# Solid Financial Performance

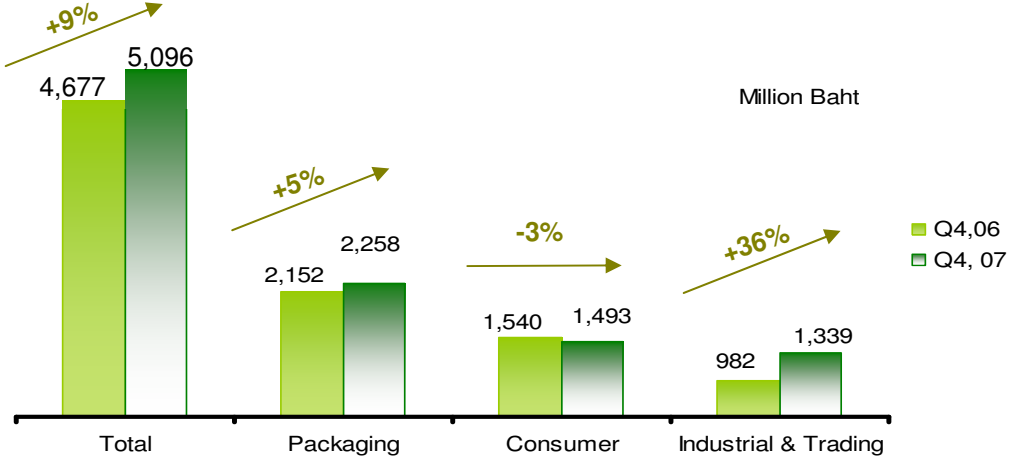
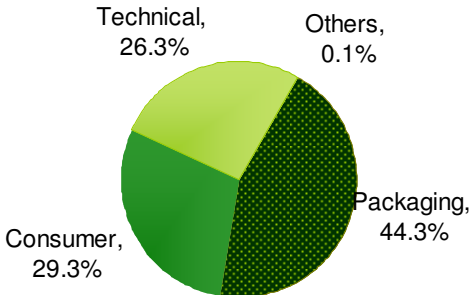


- **Continuous Sales Growth**
- **Well Diversified Margin Contribution**
- **Prudent Capital Structure**
- **Strong Ability to Service Debts**

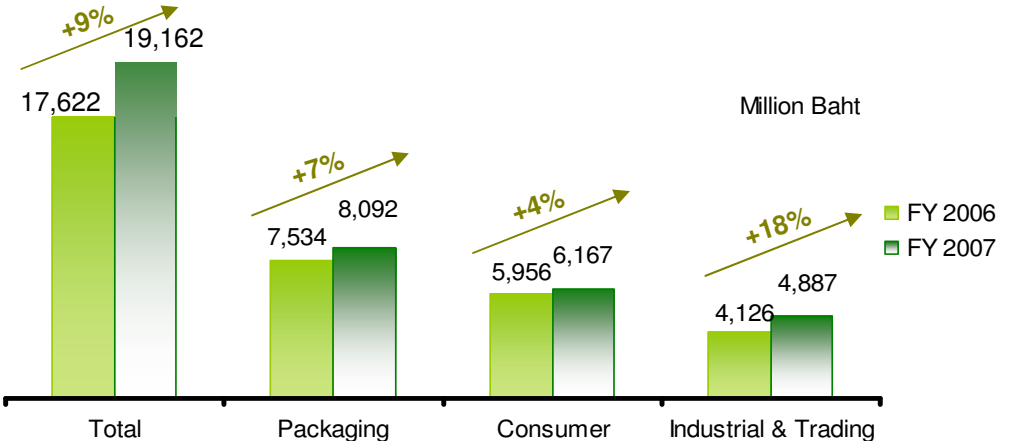
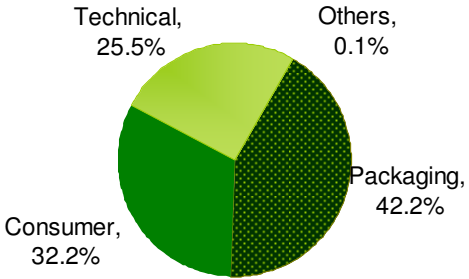
# Strong Sales Growth



Q4,07 Sales = 5,096 mn



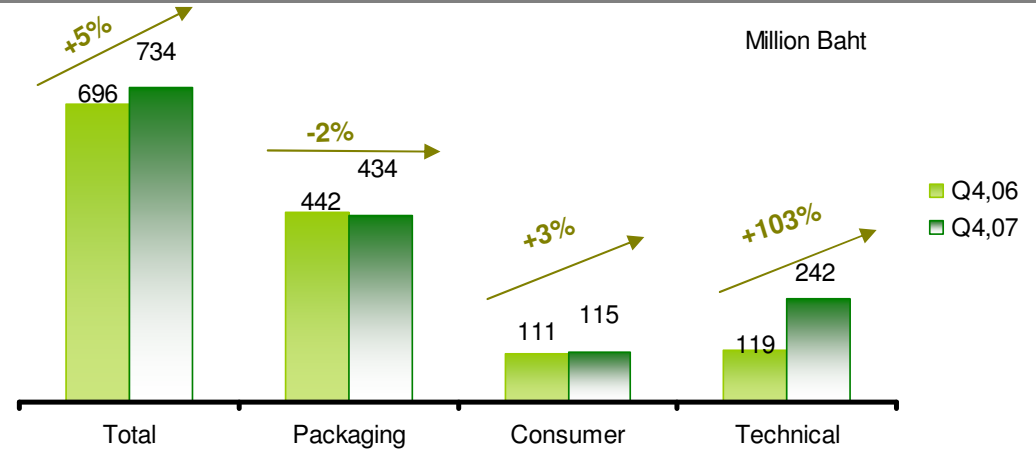
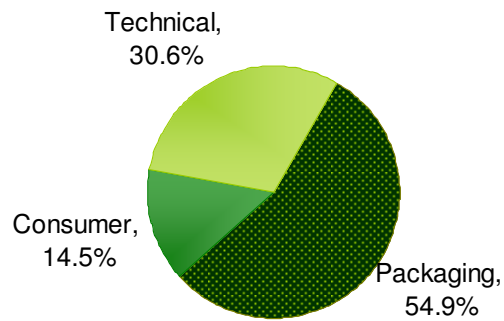
FY 2007 Sales = 19,162 mn



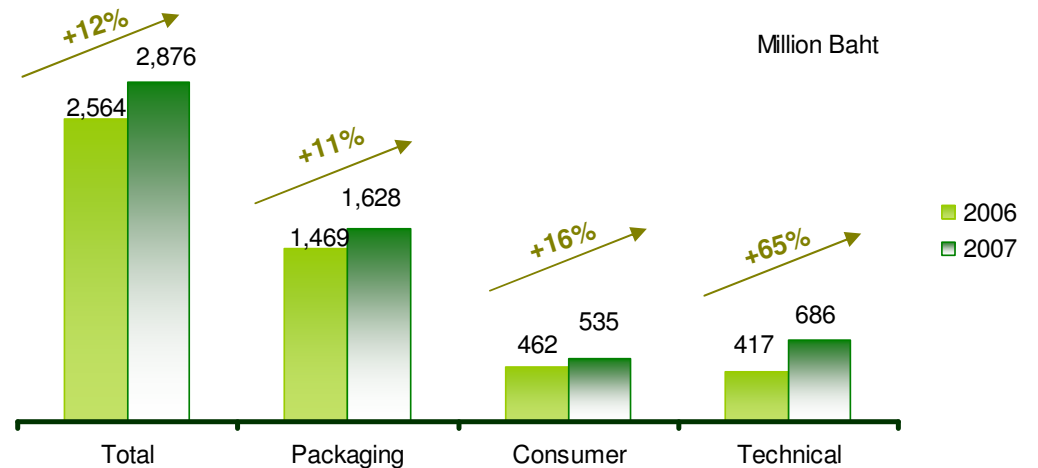
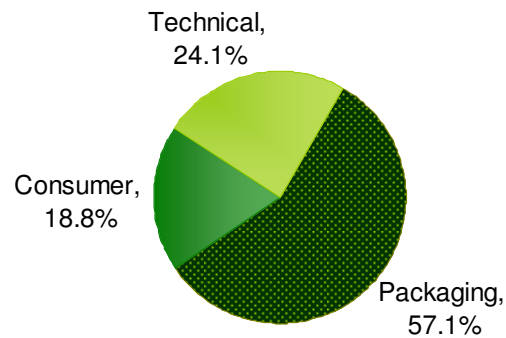
# Improving EBITDA



Q4, 07 EBITDA = THB 734 mn



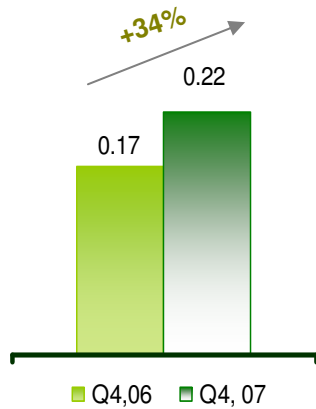
2007 EBITDA = 2,876 mn



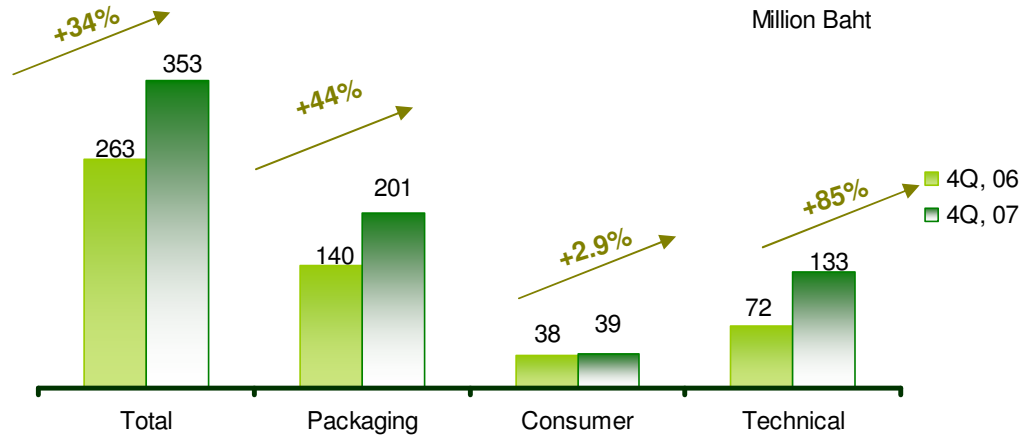
# Improving Net Profit and EPS



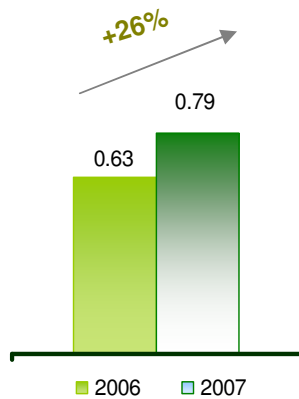
## EPS



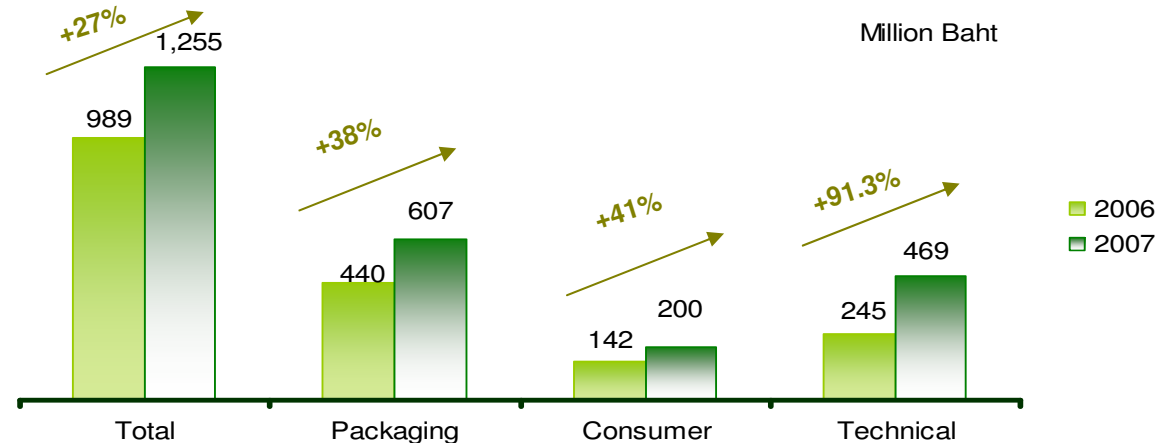
## Q4, 07 Net Profit = THB 353mn



## EPS



## 2007 Net Profit = 1,255 mn

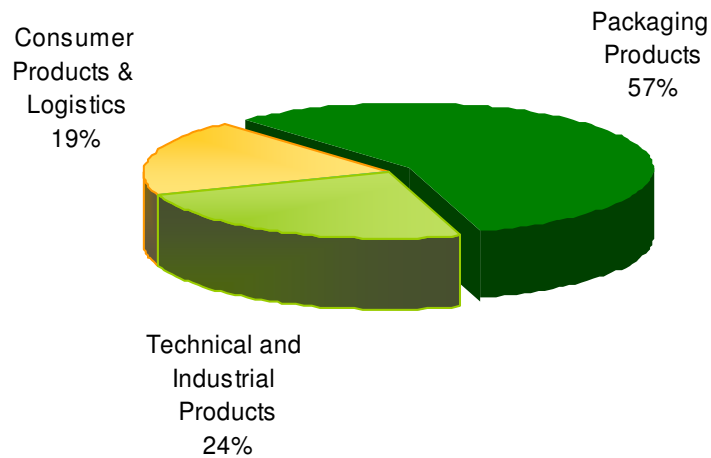


# Well Diversified Margin Contribution



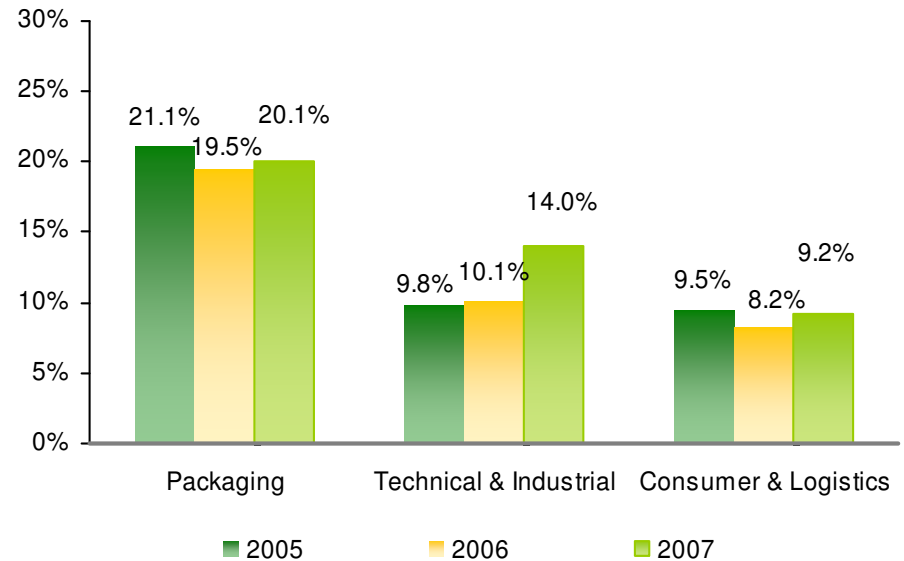
- Average EBITDA of 2,876 MB in year 2007 and 15% EBITDA margin
- EBITDA margin improved in all segment in 2007, compared to 2006
- Packaging Products is the largest EBITDA contributor
- EBITDA of Technical and Industrial Products have been improving for 3 consecutive years

2007 EBITDA Contribution



Source: Company

EBITDA Margin



Source: Company

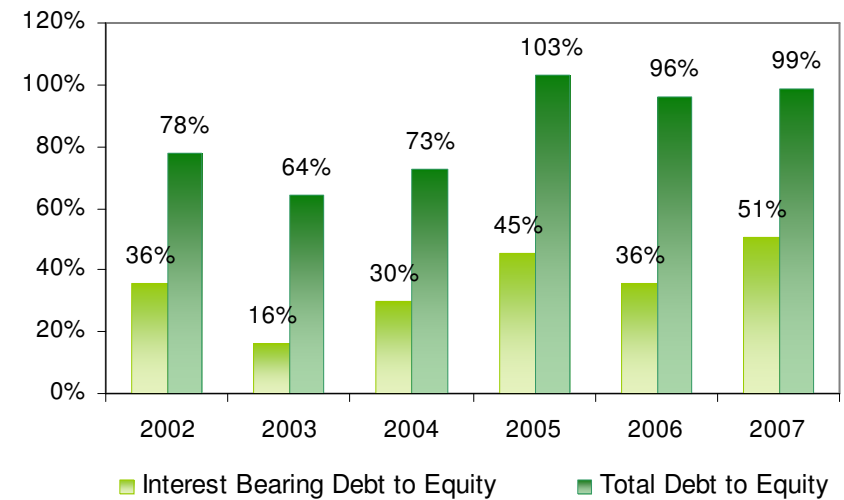
# Strong Capital Structure



## Balance Sheet



## Debt to Capitalization



- Continuous asset growth through business expansion

- Conservative capital structure : low D/E ratio & interest bearing debt to equity during the last 5 years

Source: Company

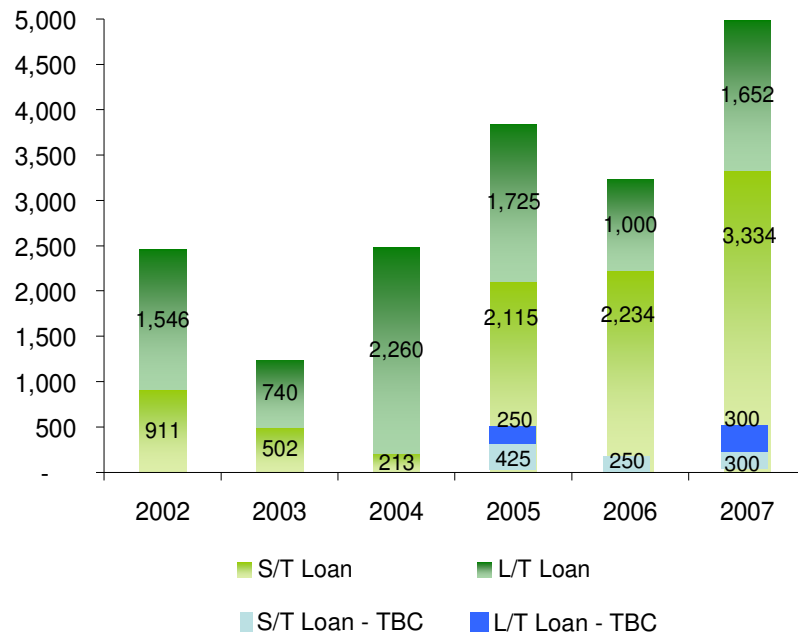
Note: Restated financial statement in year 2005, 2006 and 2007

# Debt Profile



## Debt Breakdown

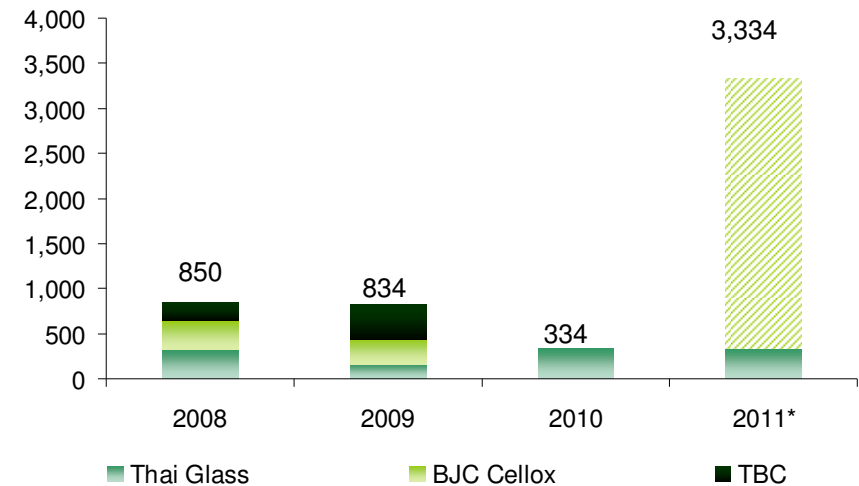
Million Baht



- Over 8,000 MB of short term credit facilities from financial institutions
- Short-term debt to support daily operation
- Part of short-term debts will be replaced by Debenture

## Repayment Schedule

Million Baht

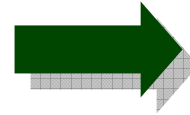


- Majority of long-term debts are from Thai Glass Industries, BJC Cellox and TBC
- The huge repayment in 2011 would also include the repayment from the 3,000MB worth of bond planning to issue this year

# Strong Ability to Service Debts

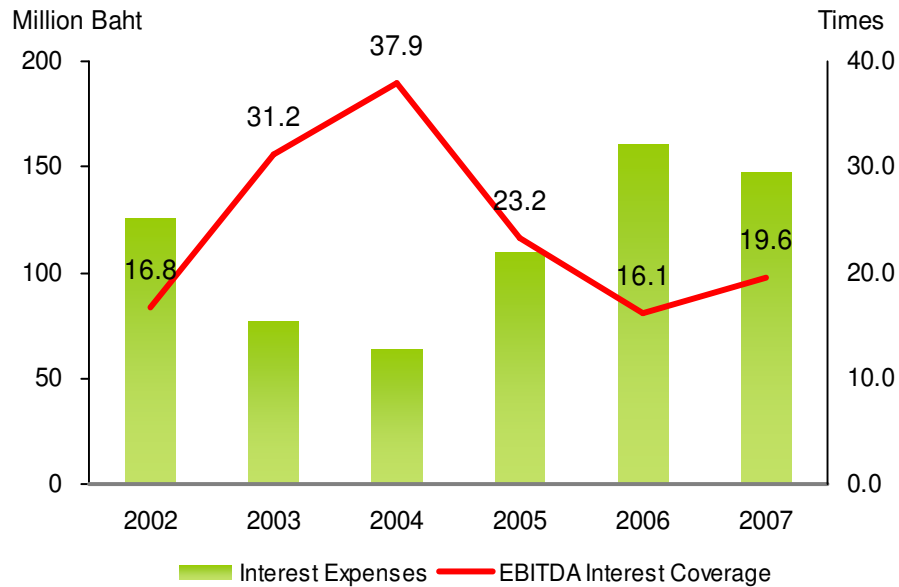


- Strong cash flow from BJC's operation
- Low interest bearing debts

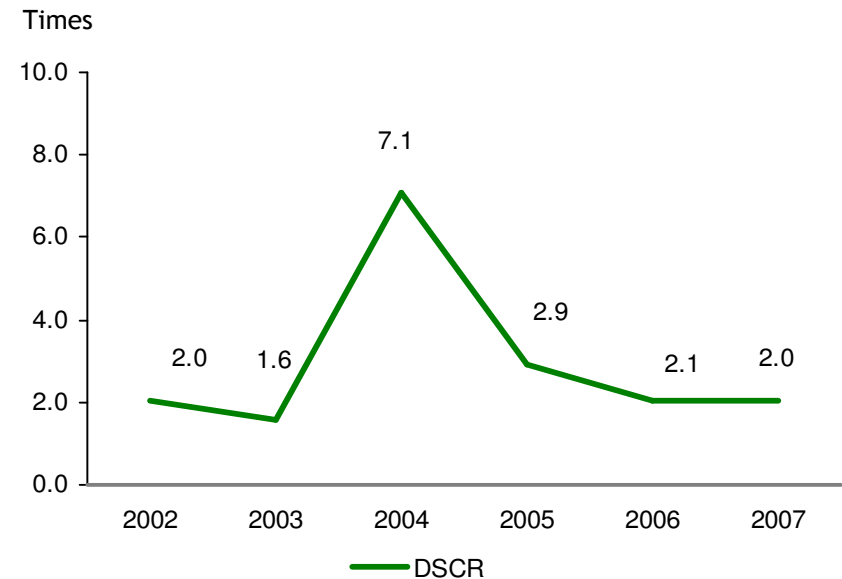


- High EBITDA interest coverage
- High Debt Service Coverage Ratio

## EBITDA Interest Coverage



## DSCR (X Times)



Source: Company

Note: Restated financial statement in year 2005, 2006 and 2007

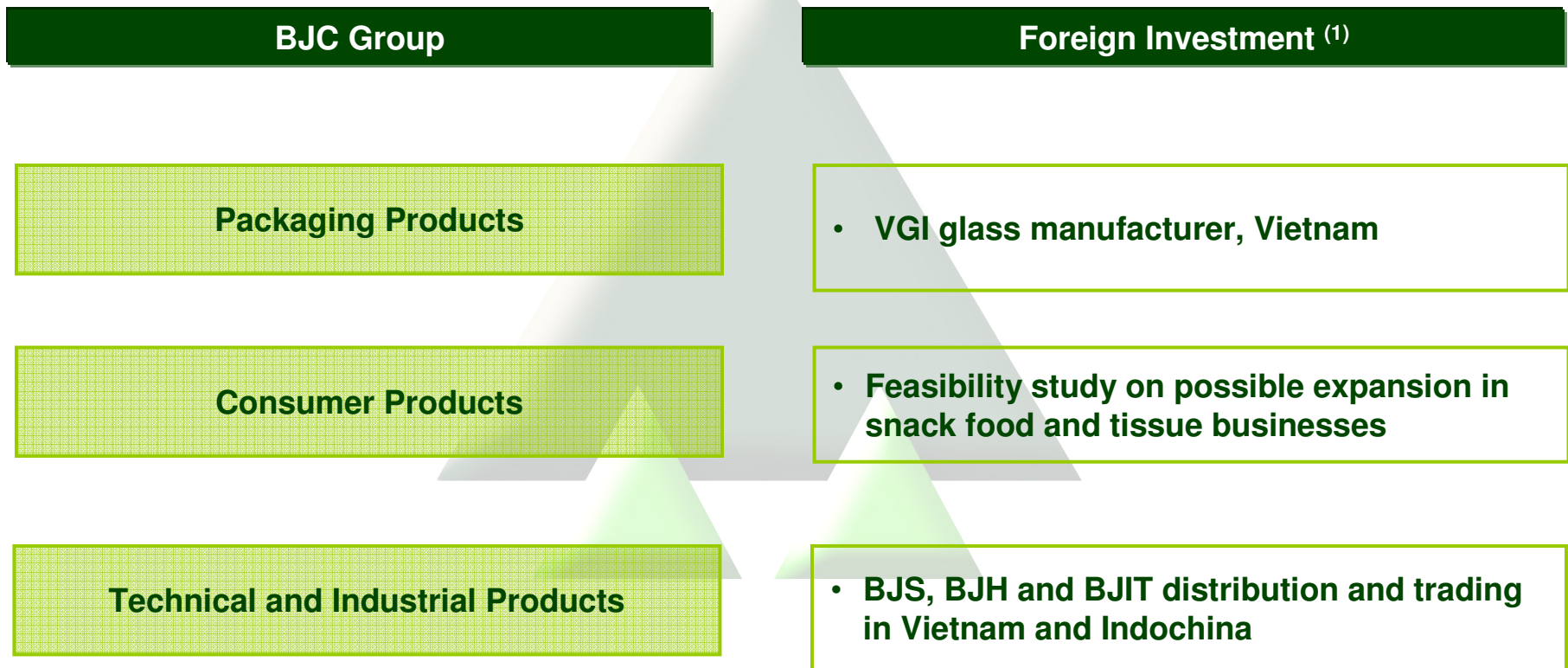


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# BJC International

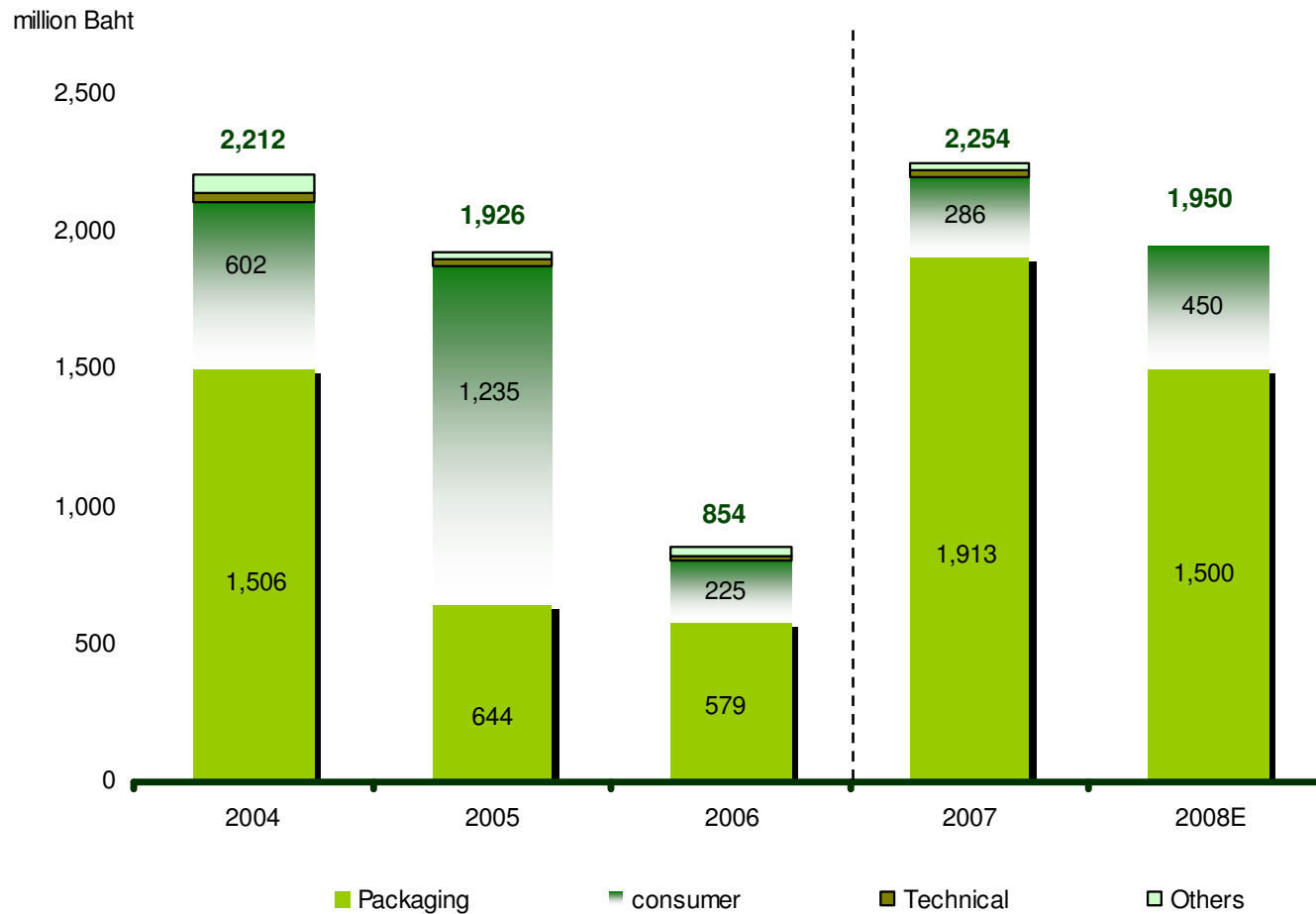


Berli Jucker International Co., Ltd is established with the aim to expand BJC's foreign operations in trading, distribution, manufacturing and services in selected markets in Asia Pacific.



(1) Investment projects still under study, evaluation, and negotiation.

# CAPEX on hand as of FY 2007



\* CAPEX not include the acquisition of TBC and other potential acquisitions.