



KHON KAEN SUGAR INDUSTRY PCL.



Business Overview: 2011FY Performance

February 2012

“The Renewable Energy Producer”

Based on Environmental Friendly



Sugar for Human



Ethanol for Car

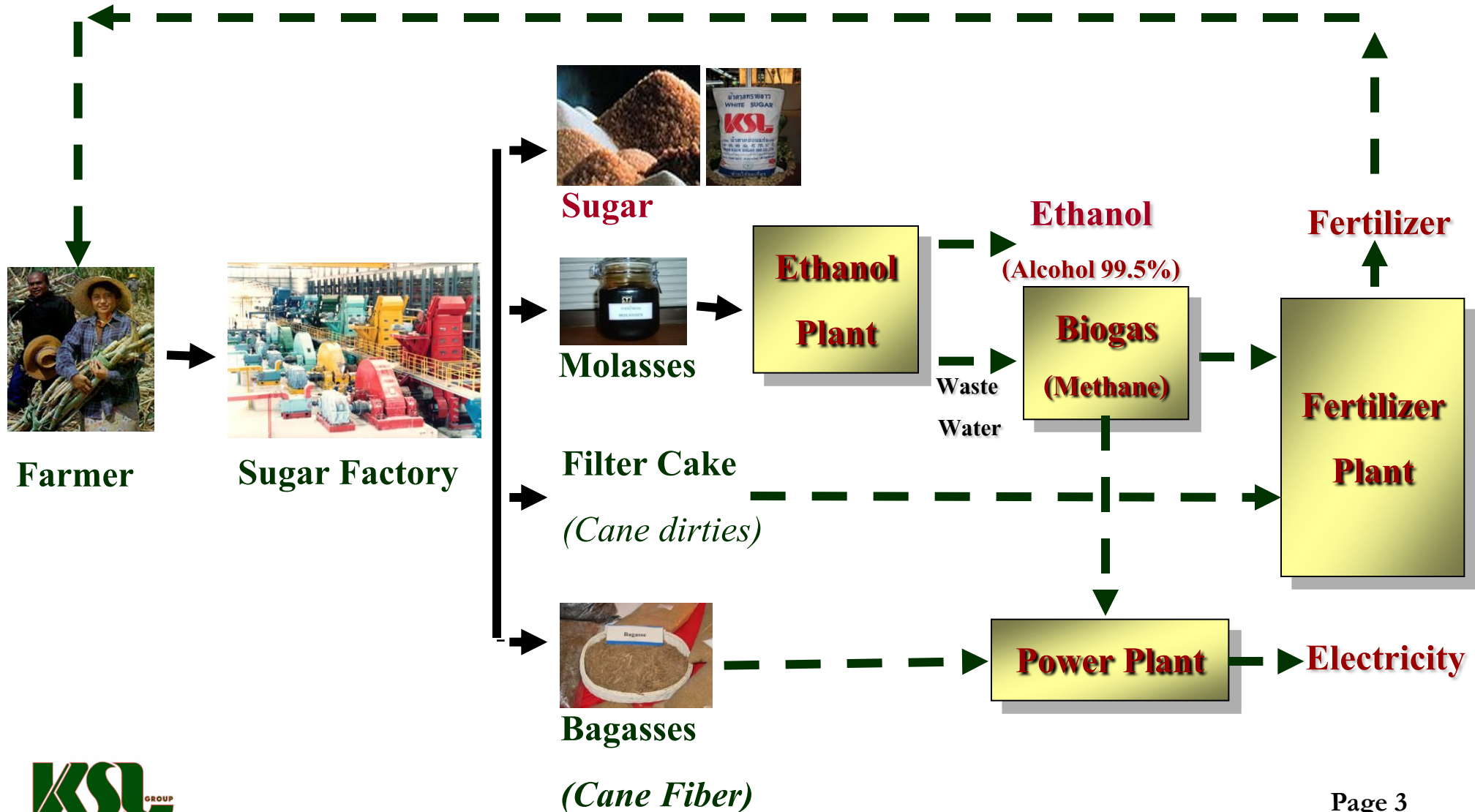


Fertilizer for Plant



Electricity for Machine

Business Integration



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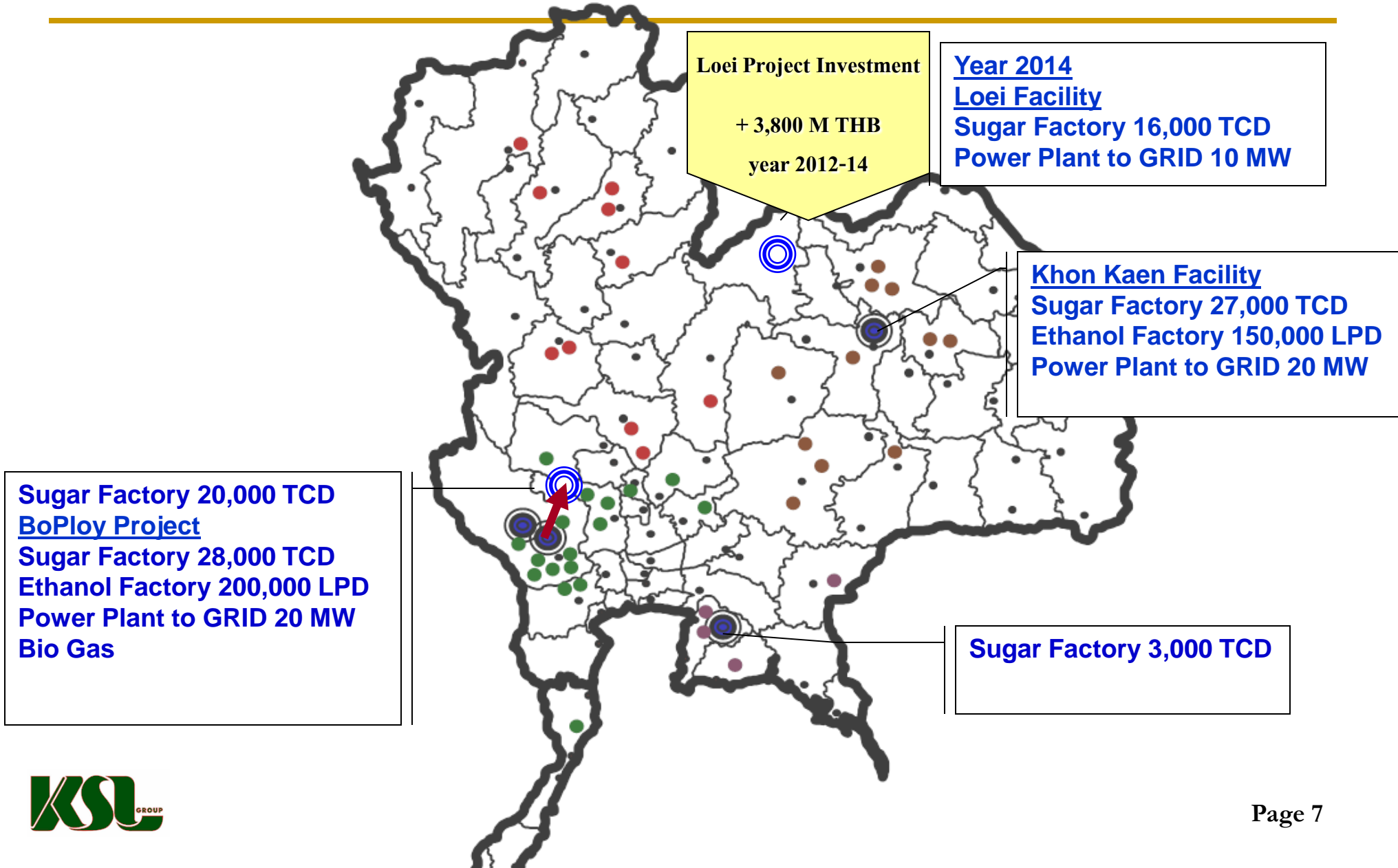
Section I

Corporate Overview Investment Plan

Company Development

- 2005 :** Listed in Stock Exchange of Thailand
4 Sugar mill in Thailand
- 2005 – 2007 :** Investment in Ethanol Plant & Power Plant in Khon Kaen Facility (Thailand):
STATUS – COMPLETED + Return on Investment
- 2007 – 2010 :** Oversea Project Investment: (Laos & Cambodia)
Sugar Cane Plantation & Sugar Mill Operation :
**STATUS – COMPLETED in Sugar Mill Construction,
Continued expansion in sugar cane plantation**
- 2010 – 2012 :** Expand sugar mill capacity + Invest in Ethanol Plant & Power Plant in
Bo Ploy Project (Thailand):
STATUS – COMPLETED in Phase I and Phase II
- 2012 – 2014 :** Expand sugar mill capacity & Power Plant in Loei Project (Thailand):
STATUS
– Environment Impact Assessment (EIA)
– Supplier Contract & Land Development

KSL Business Expansion in Thailand



Overseas Expansion: Lao & Cambodia Sugar Mill Business

Business Activities

Sugar Cane Plantation - Concession Area :

Lao 10,000 ha – 40 years

Cambodia 20,000 ha – 90 years

Sugar Mill : Raw Sugar Production

Lao 3,000 TCD, Cambodia 6,000 TCD

Total Project Cost (Tax exempt)

Lao 30 M USD : KSL ~ 98.49%

Cambodia 100 M USD : KSL ~ 70%

Investment Benefit:

Special Privilege to export sugar to EU under EBA and LDC Quota at EU Guarantee price (up to 2015)



TATE & LYLE
CONSISTENTLY FIRST IN RENEWABLE INGREDIENTS

Overseas Expansion: Lao & Cambodia Sugar Mill Business



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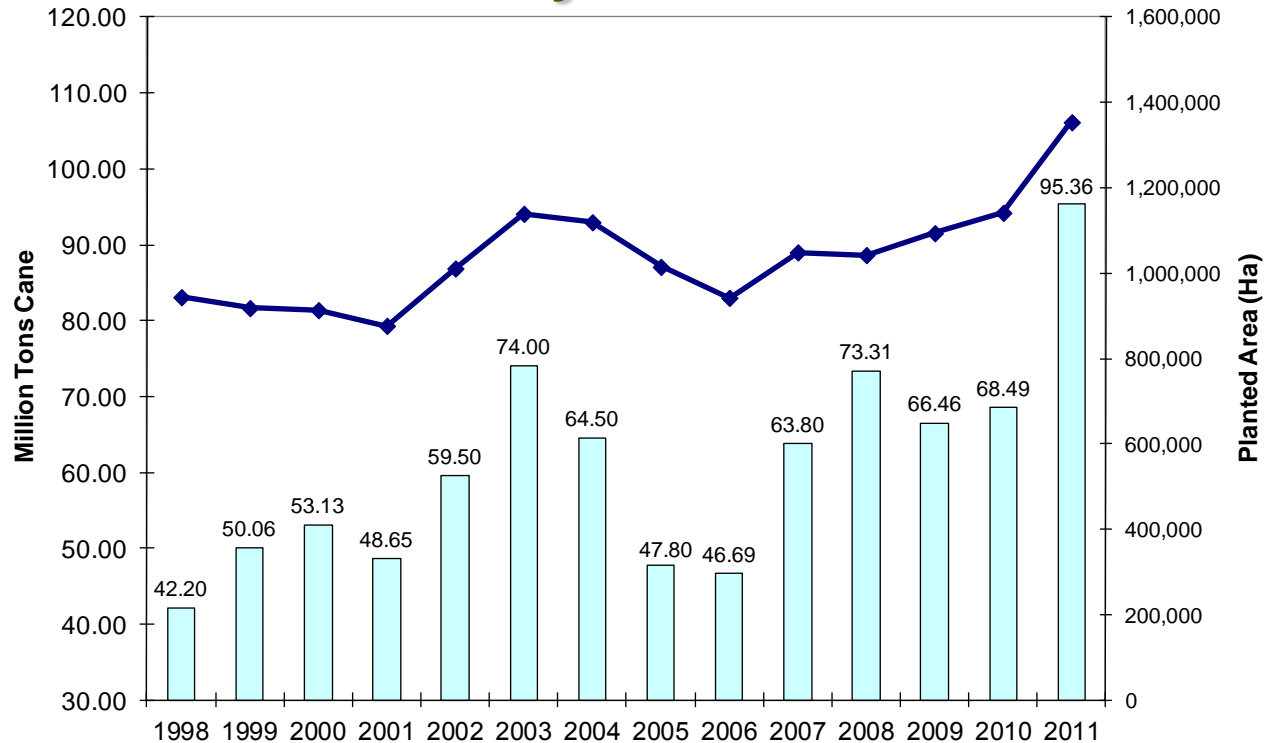


Section II

Industry Trend

Thai Sugar Business

Thailand Cane Crushed on year 2011 beat historical high



	Crop year	
	2010/11	2011/12 E
Total Cane Crushed in Thailand	95.36 m ton	95 m ton
Sugar yield (100 kg of sugar/ton cane)	10%	10%
Quota A volume (Domestic sugar)	2.4 m ton	2.4 m ton

World Sugar Outlook

Global News

- World Sugar Balance by F.O. Lichts as of Nov 1, 2011.

World (1,000 Tons)					
	2011/12	2010/11	2009/10	2008/09	2007/08
Production	174,118	165,504	158,744	151,778	166,609
Consumption	163,948	160,140	159,314	159,599	159,158
	10,170	5,365	(571)	(7,821)	7,451

Europe Sugar output

- Expectations of a big rise in Europe output in 2011/12.
- Europe's sugar output nearly to 29 m/t in 2011/12 from last year's 24 m/t.

India News


- Expect will produce 28 m/t sugar output in 2011/12
- May export up to 4 m/t.

World Sugar Outlook

Brazil News

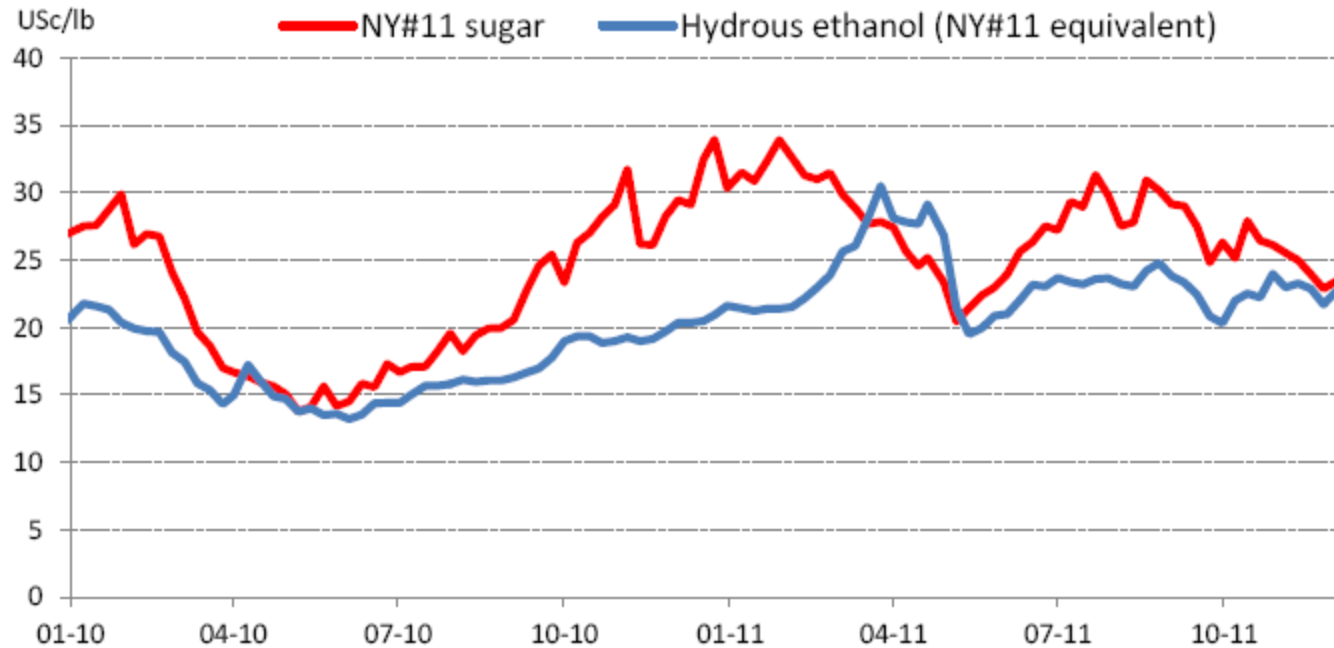
- Brazilian crop is not as disappointing as previously fear.

2011/2012 Harvest Total - to Jan 16,2012

Products		Crop Year		Variation(%)
		2010/2011	2011/2012	
Sugarcane		555.957	492.704	-11.38%
Sugar		33.479	31.186	-6.85%
Ethanol		25.336	20.585	-18.75%
% Allocation	Sugar	44.96%	48.27%	
	Ethanol	55.04%	51.73%	

World Sugar Outlook

Sugar/Ethanol Parity becomes key.



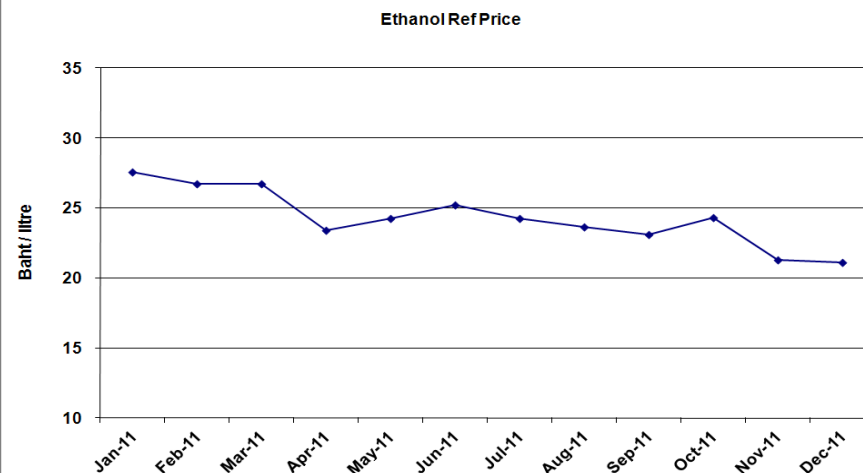
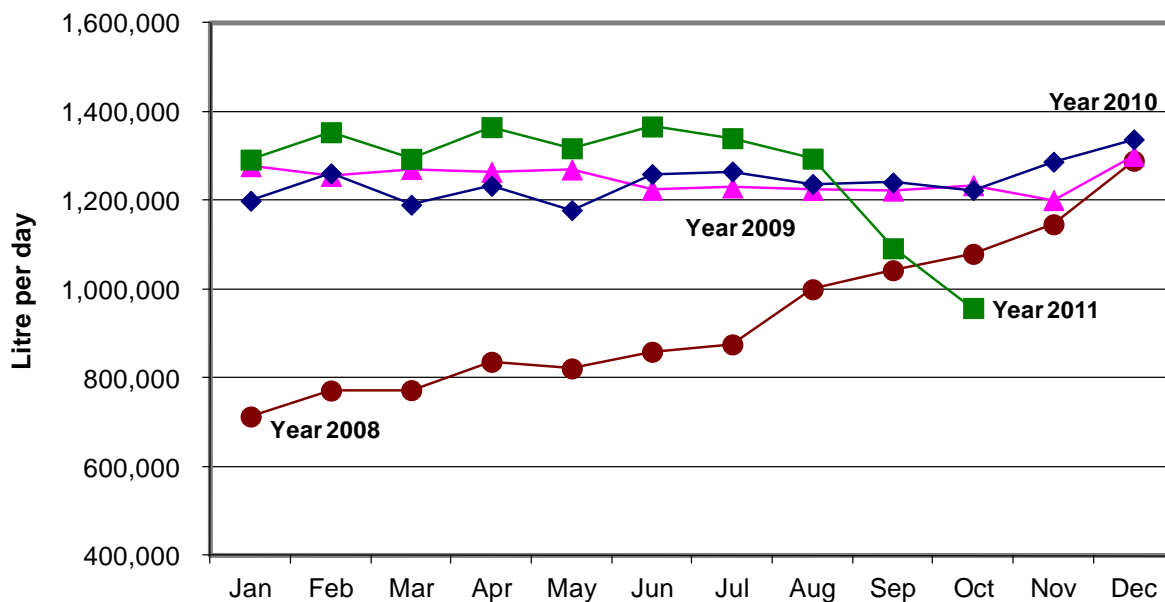
Source: Sucden

Ethanol Business Outlook

Thailand : Uses E10 (10% Ethanol with 90% Gasoline), then promote E20 and E85

- Government plan to mandate E10 in Oct 2012.
- Grant Corporate Tax Exemption for 8 years.

Ethanol Thailand Domestic Consumption per day



KSL Power Business

Currently, KSL total capacity 40 MW sell to EGAT

- Increase from 30 MW to 40 MW compare to previous year.
(Additional from BoPloy project)
- Long Term Offtake Contract with Grid . (PPA 21 years)
- Grant Corporate Tax Exempt for 8 years.



Section III

Financial Highlights

KSL Profit Contribution

PROFIT CONTRIBUTION (million THB)	2011	2010	2009*	2008*	2007	2006
			Adjust	Adjust		
THAI SUGAR MILL BUSINESS	1,618.98 86%	157.63 99%	707.30 77%	588.77 69%	715.56 86%	542.54 81%
ETHANOL & FERTILIZER BUSINESS	48.86 3%	78.52 49%	139.59 15%	97.63 11%	20.27 2%	160.48 24%
POWER PLANT BUSINESS	256.38 14%	192.16 121%	191.11 21%	173.17 20%	138.55 17%	7.39 1%
SUPPORTING BUSINESS	44.32 2%	18.53 12%	20.51 2%	32.84 4%	11.83 1%	(4.42) -1%
OTHER BUSINESS	(10.76) -1%	(3.27) -2%	(1.44) 0%	(2.18) 0%	(8.38) -1%	(8.27) -1%
LAO & CAMBODIA SUGAR PROJECT	(67.90) -4%	(284.88) -180%	(212.71) -23%	(34.59) -4%	(16.80) -2%	(14.94) -2%
EXTRA			75.26			
TOTAL	1,889.89 100%	158.70 100%	919.62 100%	855.63 100%	835.86 100%	672.93 100%

P&L Highlights

Income Statement Highlight (Million THB)	2011	2010 Adjust	2009 Adjust
Sales and Services	16,459.80	12,071.32	11,670.98
Cost of Sales and Service	(11,596.39)	(9,190.66)	(8,783.33)
Gross Profit from Sales & Services	4,863.41	2,880.65	2,887.65
Other Incomes	312.64	309.14	348.95
Gross Profit from other Income	5,176.05	3,189.79	3,236.60
Selling Expense	(340.98)	(268.98)	(312.67)
Administration Expense	(604.96)	(489.59)	(481.94)
Management Remuneration	(143.20)	(124.75)	(113.64)
Proceeds to Fund	(812.83)	(781.85)	(745.66)
Penalty from sugar future contracts	-		
Gain (Loss) from Derivatives	(16.77)	(993.92)	(6.21)
Total Expense	(1,918.73)	(2,659.10)	(1,660.12)
EBIT	3,257.31	530.70	1,576.48
Financial cost	(465.25)	(342.53)	(245.74)
Share of Profit of Associated Company	(9.17)	6.35	1.36
Corporate Income Tax	(750.69)	(117.70)	(357.49)
Minority and others	(142.31)	81.89	(55.00)
Net Profit	1,889.89	158.70	919.62
EPS	1.22	0.10	0.59
Gross Margin from Sales & Service	29.55%	23.86%	24.74%
Net Profit Margin	11.48%	1.31%	7.88%

Balance Sheet Highlight

Balance Sheet Highlight (Million THB)	2011	2010 Adjust	2009 Adjust
Cash & Short Term Investment	280.95	208.95	435.24
Account Receivable	767.15	548.77	599.76
Farmers Account Receivable	622.57	411.73	105.15
Short Term Loan to Farmers	728.28	454.34	337.02
A/R sugarcane & sugar fund	88.87	139.10	195.00
Inventories	2,932.26	1,595.76	1,679.27
Deferred Cane Plantation Cost	724.49	831.65	689.76
Net PP&E	18,511.18	18,009.79	15,108.88
Net Asset not used in Operation	689.97	361.92	328.51
Total Asset	26,257.32	23,152.73	20,417.56
Current Liabilities	8,595.36	5,087.98	3,720.83
Non-Current Liabilities	6,010.49	8,130.63	5,897.19
Total Liabilities	14,605.85	13,218.61	9,618.01
Total Shareholder's Equity	11,651.47	9,934.12	10,799.54
Book Value per share	6.30	5.30	5.61
D/E Ratio	1.25	1.33	0.89
IBD/E Ratio	1.04	1.17	0.70

Cash Flow Highlight

Cash Flow Highlight (Million THB)	2011	2010	2009 Adjust
Net Profit + Depre. + Non Cash	4,045	919	2,014
Change in Working Capital	(2,007)	(671)	(320)
<i>from Operating Activities</i>	2,038	248	1,695
Invest in PP&E	(1,387)	(3,334)	(3,821)
<i>from Investing Activities</i>	(1,787)	(3,293)	(3,996)
<i>from Financing Activities</i>	(164)	2,952	1,988
Change in Cash Flow	78	(64)	(240)
Ending Cash	281	203	267
EBIT	3,257	537	1,578
Depreciation	645	393	391
EBITDA	3,903	930	1,969



Q & A