

Laguna Resorts & Hotels Public Company Limited
and its subsidiaries

Review report and interim consolidated financial statements
For the three-month period ended 31 March 2009

Review report of independent auditor

To the Shareholders of Laguna Resorts & Hotels Public Company Limited

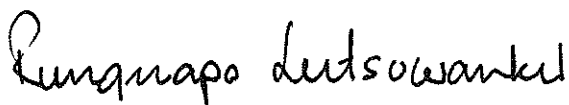
I have reviewed the accompanying consolidated balance sheet of Laguna Resorts & Hotels Public Company Limited and its subsidiaries as at 31 March 2009, the related consolidated statements of income, changes in shareholders' equity, and cash flows for the three-month period ended 31 March 2009, and the separate financial statements of Laguna Resorts & Hotels Public Company Limited for the same period. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review. I did not review the interim financial statements of two subsidiaries, Laguna Beach Club Limited and Laguna (1) Limited which are included in these consolidated financial statements. As at 31 March 2009, these subsidiaries had total assets of Baht 1,786 million and total revenues for the three-month period ended 31 March 2009 of Baht 90 million. The financial statements of these subsidiaries were reviewed by another auditor whose reports, which have been furnished to me, were unqualified. My report, insofar as it relates to the amounts included for those subsidiaries in the consolidated financial statements, is based solely on the reports of the other auditor.

I conducted my review in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my review and the review reports of the other auditor, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated financial statements of Laguna Resorts & Hotels Public Company Limited and its subsidiaries, and separate financial statements of Laguna Resorts & Hotels Public Company Limited for the year ended 31 December 2008 were audited in accordance with generally accepted auditing standards by another auditor of our firm, who expressed an unqualified opinion on those financial statements and drew attention to the change in the Company's accounting policies on presentation of goodwill and negative goodwill in the consolidated financial statements under his report dated 24 February 2009, based on his audit and the reports of the other auditor. The consolidated and separate balance sheets as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which that auditor audited and reported on.

The consolidated statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2008 of Laguna Resorts & Hotels Public Company Limited and its subsidiaries and the separate financial statements of Laguna Resorts & Hotels Public Company Limited for the same period, as presented herein for comparative purposes, formed an integral part of the interim financial statements which were reviewed by aforementioned auditor whose reported date 13 May 2008, stated that base of on his review and the reports of the other auditor, nothing come to his attention that cause him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.



Rungnapa Lertsuwankul

Certified Public Accountant (Thailand) No. 3516

Ernst & Young Office Limited

Bangkok: 12 May 2009

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Consolidated		Separate		
	financial statements		financial statements		
	Note	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
Assets					
Current assets					
Cash and cash equivalents		501,812	474,125	47,808	41,982
Trade accounts receivable - net	2	1,002,949	1,197,849	130,024	205,914
Amounts due from related companies	3	184,749	193,635	126,136	111,394
Inventories - net		157,190	171,540	14,662	16,757
Property development cost - net	4	1,219,686	1,044,633	141,409	133,494
Other current assets		269,879	425,011	86,189	159,294
Total current assets		3,336,265	3,506,793	546,228	668,835
Non-current assets					
Restricted deposits at financial institution		2,140	2,140	-	-
Long-term trade accounts receivable	5	855,522	843,639	526,771	511,199
Investments in subsidiaries	6	-	-	3,492,207	3,492,207
Investments in associates	7	404,458	419,802	-	-
Other long-term investments - net	8	219,704	188,425	-	-
Long-term loans to subsidiaries	3	-	-	1,917,531	1,699,071
Long-term loan to associate	3	314,166	308,965	-	-
Long-term loans to employees	3	33,161	34,966	14,153	14,933
Property, plant and equipment - net	9	18,326,149	18,350,363	1,985,751	1,980,965
Land awaiting development		809,396	811,070	28,639	28,639
Goodwill		385,492	385,492	-	-
Leasehold rights - net		31,990	34,108	-	-
Other non-current assets		50,012	53,493	8,254	11,034
Total non-current assets		21,432,190	21,432,463	7,973,306	7,738,048
Total assets		24,768,455	24,939,256	8,519,534	8,406,883

The accompanying notes are an integral part of the financial statements.

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	Consolidated		Separate		
	financial statements		financial statements		
	Note	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	10	605,000	486,000	305,000	333,000
Trade accounts payable		195,948	213,234	15,780	24,375
Current portion of long-term loans from financial institutions	12	866,565	890,415	266,000	266,000
Amounts due to related companies	3	81,921	60,982	36,798	21,557
Corporate income tax payable		115,416	72,328	-	-
Other current liabilities	11	1,089,816	1,275,995	186,757	214,994
Total current liabilities		2,954,666	2,998,954	810,335	859,926
Non-current liabilities					
Long-term loans from subsidiaries	3	-	-	970,720	813,640
Long-term loans from financial institutions - net of current portion	12	1,875,991	2,098,933	66,500	133,000
Other non-current liabilities		121,509	117,068	32,356	29,175
Total non-current liabilities		1,997,500	2,216,001	1,069,576	975,815
Total liabilities		4,952,166	5,214,955	1,879,911	1,835,741

The accompanying notes are an integral part of the financial statements.

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

Note	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
	211,675,358 ordinary shares of Baht 10 each	2,116,753	2,116,753	2,116,753
Issued and paid-up				
	166,682,701 ordinary shares of Baht 10 each	1,666,827	1,666,827	1,666,827
	Share premium	2,062,461	2,062,461	2,062,461
	Capital reserve	634,699	634,699	-
Unrealised gain				
	Revaluation surplus on assets	9,562,819	9,589,532	1,555,076
	Translation adjustment	112,392	110,064	-
Retained earnings				
	Appropriated - statutory reserve	151,714	151,714	151,714
	Unappropriated	4,476,605	4,367,298	1,203,545
		4,628,319	4,519,012	1,355,259
	Equity attributable to the Company's shareholders	18,667,517	18,582,595	6,639,623
	Minority interest	1,148,772	1,141,706	-
	Total shareholders' equity	19,816,289	19,724,301	6,639,623
	Total liabilities and shareholders' equity	24,768,455	24,939,256	8,519,534

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Income statements

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Revenues				
Revenues from hotel operations	1,020,593	1,492,864	194,843	204,107
Revenues from property development operations	202,921	806,237	17,923	361,771
Revenues from office rental operations	17,256	15,687	-	-
Interest income	21,483	13,674	30,239	18,604
Insurance claim	-	132,404	-	51,165
Other income	3,226	19,671	23,519	38,318
Total revenues	1,265,479	2,480,537	266,524	673,965
Expenses				
Cost of hotel operations	333,217	446,346	42,230	43,701
Cost of property development operations	62,542	329,340	4,834	149,125
Cost of office rental operations	7,119	8,109	-	-
Selling expenses	103,388	139,083	13,811	17,863
Administrative expenses	395,675	481,737	78,986	95,878
Management benefit expenses	27,961	37,579	19,071	23,279
Depreciation	107,060	105,069	15,650	13,241
Total expenses	1,036,962	1,547,263	174,582	343,087
Income before share of income (loss) from investments				
in associates	228,517	933,274	91,942	330,878
Share of income (loss) from investments in associates	(18,438)	18,445	-	-
Income before finance cost and corporate income tax	210,079	951,719	91,942	330,878
Finance cost	(41,825)	(43,931)	(15,968)	(19,127)
Income before corporate income tax	168,254	907,788	75,974	311,751
Corporate income tax	(47,225)	(146,882)	-	(18,426)
Net income for the period	121,029	760,906	75,974	293,325
Net income attributable to:				
Equity holders of the parent	109,307	718,608	75,974	293,325
Minority interest	11,722	42,298		
	121,029	760,906		
Basic earnings per share				
Net income attributable to equity holders of the parent (Baht)	0.66	4.31	0.46	1.76

The accompanying notes are an integral part of the financial statements.

Laguna Resort & Hotels Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to the Company's shareholders					Total equity attributable to the Company's shareholders				
	Issued and fully paid-up share capital	Share premium	Capital reserve	Revaluation surplus on assets	Revaluation deficit on changes in value of investment	Transition adjustment	Appropriated - statutory reserve	Unappropriated earnings	Minority interest	Total
Balance as at 31 December 2007	1,666,827	2,062,461	634,699	9,869,857	(28,856)	74,347	84,670	3,797,371	1,111,414	19,272,790
Income and expenses recognised directly in equity:										
Amortisation of revaluation surplus	-	-	-	(28,517)	-	-	-	-	(2,850)	(31,367)
Reversal of revaluation surplus for land transferred to property development cost	-	-	-	(8,339)	-	-	-	-	-	(8,339)
Translation adjustment	-	-	-	-	(10,060)	(10,060)	-	-	(1,077)	(11,137)
Net income and expenses recognised directly in equity	-	-	-	(36,856)	-	(10,060)	-	-	(3,927)	(50,843)
Net income for the period	-	-	-	-	-	-	-	718,608	42,298	760,906
Total income and expenses for the period	-	-	-	(36,856)	-	(10,060)	-	718,608	38,371	710,063
Unappropriated retained earnings transferred to statutory reserve	-	-	-	-	-	-	34,677	(34,677)	-	-
Balance as at 31 March 2008	1,666,827	2,062,461	634,699	9,833,001	(28,856)	64,287	119,347	4,481,302	1,149,785	19,982,853
Balance as at 31 December 2008	1,666,827	2,062,461	634,699	9,589,532	-	110,064	151,714	4,367,298	1,141,706	19,724,301
Income and expenses recognised directly in equity:										
Amortisation of revaluation surplus	-	-	-	(26,713)	-	-	-	-	(2,850)	(29,563)
Translation adjustment	-	-	-	-	-	2,328	-	-	(1,806)	522
Net income and expenses recognised directly in equity	-	-	-	(26,713)	-	2,328	-	-	(4,656)	(29,041)
Net income for the period	-	-	-	-	-	-	-	109,307	11,722	121,029
Total income and expenses for the period	-	-	-	(26,713)	-	2,328	-	109,307	7,066	91,988
Balance as at 31 March 2009	1,666,827	2,062,461	634,699	9,562,819	-	112,392	151,714	4,476,605	1,148,772	19,816,289

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resort & Hotels Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Separate financial statements						
	Issued and fully paid-up share capital	Share premium	Revaluation surplus on assets	Revaluation deficit on change in value of investment	Retained earnings		
					Appropriated - Statutory reserve	Unappropriated	
Balance as at 31 December 2007	1,666,827	2,062,461	1,592,542	(10,176)	84,670	1,013,993	6,410,317
Income and expenses recognised directly in equity:							
Amortisation of revaluation surplus	-	-	(7,493)	-	-	-	(7,493)
Net income and expenses recognised directly in equity							
in equity	-	-	(7,493)	-	-	-	(7,493)
Net income for the period	-	-	-	-	-	293,325	293,325
Total income and expenses for the period							
Unappropriated retained earnings transferred to statutory reserve	-	-	(7,493)	-	-	293,325	285,832
Balance as at 31 March 2008	1,666,827	2,062,461	1,585,049	(10,176)	119,347	1,272,641	6,696,149
Balance as at 31 December 2008	1,666,827	2,062,461	1,562,569	-	151,714	1,127,571	6,571,142
Income and expenses recognised directly in equity:							
Amortisation of revaluation surplus	-	-	(7,493)	-	-	-	(7,493)
Net income and expenses recognised directly in equity							
in equity	-	-	(7,493)	-	-	-	(7,493)
Net income for the period	-	-	-	-	-	75,974	75,974
Total income and expenses for the period							
Unappropriated retained earnings transferred to statutory reserve	-	-	(7,493)	-	-	75,974	68,481
Balance as at 31 March 2009	1,666,827	2,062,461	1,555,076	-	151,714	1,203,545	6,639,623

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Statements of cash flows**

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2009	2008	2009	2008
Cash flows from operating activities				
Net income before tax	168,254	907,788	75,974	311,751
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation	107,060	105,069	15,650	13,241
Amortisation of leasehold rights	610	600	-	-
Allowance for doubtful accounts (reversal)	(7,553)	2,305	(5,905)	-
Provision for obsolete inventory (reversal)	143	(2,939)	-	-
Share of loss (income) from investments in associates	18,438	(18,445)	-	-
Unrealised foreign exchange loss (gain)	3,735	(11,902)	4,715	(22,706)
Gain on sales of property, plant and equipment	(390)	(631)	(390)	-
Write off property, plant and equipment	8,298	-	-	-
Interest income	(21,483)	(13,674)	(30,239)	(18,604)
Interest expenses	41,825	43,931	15,968	19,127
Income from operating activities before changes in operating assets and liabilities	318,937	1,012,102	75,773	302,809
Decrease (increase) in operating assets				
Trade accounts receivable	204,113	(186,653)	81,795	(204,637)
Amounts due from related companies	8,886	14,996	(9,468)	13,615
Inventories	14,208	(12,378)	2,095	(1,026)
Property development cost	(173,380)	46,480	(7,915)	13,900
Other current assets	160,515	(192,398)	72,035	(46,133)
Long-term trade accounts receivable	(11,883)	15,097	(15,572)	-
Other non-current assets	3,481	2,327	2,779	(836)
Increase (decrease) in operating liabilities				
Trade accounts payable	(17,286)	(2,842)	(8,594)	1,015
Amounts due to related companies	20,939	(5,501)	15,403	(21,640)
Other current liabilities	(189,357)	(111,499)	(28,171)	(42,809)
Other non-current liabilities	4,441	(2,063)	3,181	1,063
Cash flow from operating activities	343,614	577,668	183,341	15,321
Cash received for interest income	20,580	13,674	24,489	18,604
Cash paid for interest expense	(42,102)	(47,745)	(16,196)	(20,461)
Cash paid for corporate income tax	(13,332)	(7,892)	(3,169)	(1,286)
Net cash from operating activities	308,760	535,705	188,465	12,178

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2009	2008	2009	2008
Cash flows from investing activities				
Decrease (increase) in long-term loans to subsidiaries	-	-	(218,460)	62,500
Decrease (increase) in long-term loans to employees	1,805	(2,439)	780	(5,676)
Cash payments for acquisition of property, plant and equipment	(125,181)	(65,130)	(28,423)	(9,178)
Cash received from sales of property, plant and equipment	1,374	2,252	884	147
Purchase of investment in associate	(31,279)	(41,355)	-	-
Net cash from (used in) investing activities	(153,281)	(106,672)	(245,219)	47,793
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	119,000	(331,500)	(28,000)	(80,000)
Increase in long-term loans from subsidiaries	-	-	157,080	47,500
Draw down of long-term loans from financial institutions	-	20,000	-	-
Repayment of long-term loans from financial institutions	(246,792)	(168,604)	(66,500)	(50,000)
Net cash from (used in) financing activities	(127,792)	(480,104)	62,580	(82,500)
Net increase (decrease) in cash and cash equivalents	27,687	(51,071)	5,826	(22,529)
Cash and cash equivalents at beginning of period	474,125	1,533,422	41,982	855,576
Cash and cash equivalents at end of period	501,812	1,482,351	47,808	833,047

Supplemental cash flows information: -

Non-cash items

Transferred land and construction to property development cost	-	4,609	-	-
Reversal of revaluation surplus for land transferred to property development cost	-	8,339	-	-
Amortisation of revaluation surplus	29,563	31,367	7,493	7,493
Derecognition of previously recognised negative goodwill	-	365,697	-	-

The accompanying notes are an integral part of the financial statements.

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month periods ended 31 March 2009 and 2008

1. General information

1.1 The Company's general information

Laguna Resorts & Hotels Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its major shareholder is Banyan Tree Holdings Limited, which was incorporated in Singapore.

The Company and its subsidiaries are principally engaged in the hotel business and property development. There are four hotels in Laguna Phuket, namely Dusit Thani Laguna Phuket, Laguna Beach Resort, Sheraton Grande Laguna Phuket and Banyan Tree Phuket, located in Phuket province and one hotel, the Banyan Tree Bangkok, located in Bangkok. The subsidiaries also engage in operating a golf club (Laguna Phuket Golf Club), sales of merchandise (Banyan Tree Gallery), office and resort rental and sale of holiday club memberships.

The Company's and some of its subsidiaries' registered address is 21/11, 21/12B, 21/13, 21/65, and 21/66 Thai Wah Tower I, 6th and 22nd floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

1.2 Economic crisis

The financial crisis experienced by the United States of America over the past year has had a far reaching adverse effect on the global economy as evidenced by sharp falls in share prices worldwide, a tight squeeze on credit including interbank lending, failures of large financial institutions and reduced consumer confidence. The crisis has substantially affected the business and financial plans of Thailand enterprises and asset value. Despite efforts made by governments of many countries to contain the crisis, it remains uncertain as to when the global economy will return to normalcy. These financial statements have been prepared on the bases of facts currently known to the Company, and on estimates and assumptions currently considered appropriate. However, they could be adversely affected by an array of future events.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41 (revised 2007) "Interim financial statements", with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and the income statements, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.4 Basis of consolidation

These consolidated financial statements include the financial statements of Laguna Resorts & Hotels Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2008. There has been a change in the composition of the group companies during the current period as follows.

On 24 March 2009, TWR-Holdings Limited (a subsidiary) invested in the ordinary shares of Laguna Village Limited, which is newly established and engaged in hotel operations, representing a 99.97% interest in registered and paid-up shares. The shares have a par value of Baht 100 per share, of which Baht 25 per share was paid up amounting to the value of the investment of Baht 249,925.

The percentage of the total assets and total revenues of the major subsidiaries in relation to the total assets and total revenues as included in the consolidated financial statements as at 31 March 2009 are as follows:

(Unaudited but reviewed)

Subsidiaries	Percentage of total assets included in the consolidated balance sheets	Percentage of total revenues included in the consolidated income statements
Bangtao Development Limited	15.9	1.3
Bangtao Grande Limited	5.8	15.6
Laguna Beach Club Limited	4.1	7.1
Laguna Banyan Tree Limited	13.6	26.3
Laguna Grande Limited	7.7	2.1
Laguna Holiday Club Limited	3.6	7.4
Thai Wah Plaza Limited	14.4	15.0

1.5 Accounting Standards which are effective for the current year

The Federation of Accounting Professions has issued Notification No. 86/2551 mandating the use of the following new accounting standards.

TAS 36 (revised 2007)	Impairment of Assets
TAS 54 (revised 2007)	Non-current Assets Held for Sale and Discontinued Operations

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these accounting standards and believes that they do not have any significant impact on the financial statements for the current period.

1.6 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2008.

(Unaudited but reviewed)

2. Trade accounts receivable

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Trade accounts receivable - hotel operations	277,370	346,937	60,164	62,987
Less: Allowance for doubtful accounts	(18,406)	(18,150)	(1,761)	(1,761)
Trade accounts receivable - hotel operations, net	258,964	328,787	58,403	61,226
Trade accounts receivable - sales of property				
- Installments due	112,646	154,695	33,553	38,481
- Unbilled receivable (not yet due)	325,541	383,021	-	59,353
Current portion of long-term trade accounts receivable (Note 5)	128,156	150,344	39,720	54,410
Total	566,343	668,060	73,273	152,244
Less: Allowance for doubtful accounts	(14,966)	(22,898)	(1,652)	(7,556)
Trade accounts receivable - sales of property, net	551,377	665,162	71,621	144,688
Trade accounts receivable - sales of holiday club memberships				
- Installments due	53,584	33,393	-	-
Current portion of long-term trade accounts receivable (Note 5)	141,624	173,107	-	-
Total	195,208	206,500	-	-
Less: Allowance for doubtful accounts	(2,600)	(2,600)	-	-
Trade accounts receivable - sales of holiday club memberships, net	192,608	203,900	-	-
Trade accounts receivable - net	1,002,949	1,197,849	130,024	205,914

The balances of trade accounts receivable - hotel operations, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
<u>Age of receivables</u>				
Not yet due	137,324	170,754	30,931	19,022
Past due				
Less than 30 days	83,284	104,605	20,232	29,685
31 - 60 days	25,704	37,521	3,615	10,185
61 - 90 days	11,059	8,463	2,144	2,074
91 - 120 days	4,803	7,847	2,878	201
More than 120 days	15,196	17,747	364	1,820
Total	277,370	346,937	60,164	62,987
Less: Allowance for doubtful accounts	(18,406)	(18,150)	(1,761)	(1,761)
Trade accounts receivable - hotel operations, net	258,964	328,787	58,403	61,226

(Unaudited but reviewed)

The balances of installment due of trade accounts receivable - sales of property operations, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
<u>Age of receivables</u>				
Past due				
Less than 30 days	14,330	49,951	3,851	4,879
31 - 60 days	30,052	10,381	18,446	2,554
61 - 90 days	4,434	40,002	2,284	21,645
91 - 120 days	25,440	33,045	1,242	1,328
More than 120 days	38,390	21,316	7,730	8,075
Total	112,646	154,695	33,553	38,481
Less: Allowance for doubtful accounts	(14,966)	(22,898)	(1,652)	(7,556)
Trade accounts receivable - sales of property - installment due, net	97,680	131,797	31,901	30,925

The balances of installment due of trade accounts receivable - holiday club members operations, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
<u>Age of receivables</u>				
Past due				
Less than 30 days	21,765	20,567	-	-
31 - 60 days	22,019	2,026	-	-
61 - 90 days	1,514	1,564	-	-
91 - 120 days	1,015	1,902	-	-
More than 120 days	7,271	7,334	-	-
Total	53,584	33,393	-	-
Less: Allowance for doubtful accounts	(2,600)	(2,600)	-	-
Trade accounts receivable - sales of holiday club memberships, net	50,984	30,793	-	-

(Unaudited but reviewed)

3. Related party transactions

During the period, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	Financial statements		Financial statements		
	For the three-month period ended 31 March				
	2009	2008	2009	2008	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Credit card commission receipts	-	-	0.2	0.1	(3) agreed basis
Inter resort charges payments	-	-	6.9	8.0	(4) agreed basis
Inter resort charges receipts	-	-	2.9	3.3	(4) agreed basis
Estate service expenses	-	-	0.1	-	(5) agreed basis
Guarantee fee expenses	-	-	1.2	1.1	(6) agreed basis
Guarantee fee income	-	-	0.9	1.5	(6) agreed basis
Interest income	-	-	23.0	17.6	(9) agreement
Interest expenses	-	-	8.2	13.1	(9) agreement
Management fees income	-	-	19.2	3.3	(11) agreement
Purchase of gallery vouchers	-	-	1.6	1.9	(12) agreed basis
Purchase of goods	-	-	-	0.1	(13)(i) agreed basis
Reimbursement expenses	-	-	4.4	4.7	(15) agreed basis
Reimbursement income	-	-	12.6	13.4	(15) agreed basis
Rent and service expenses	-	-	3.6	4.3	(16)(iv), (v), (vi) agreement
Rent and service income	-	-	2.4	2.4	(16)(iii) agreement
Resort service charges expenses	-	-	11.4	15.2	(5), (18) agreed basis
<u>Transactions with associate</u>					
Interest income	5.5	4.7	-	-	(7) agreement
Sale of gallery vouchers	0.4	0.4	-	-	(12) agreed basis
Reimbursement income	0.8	0.1	-	-	(15) agreed basis

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	Financial statements		Financial statements		
	For the three-month period ended 31 March				
	2009	2008	2009	2008	
<u>Transactions with related companies</u>					
Commission on consignment sales payments	0.1	0.8	-	-	(1) agreed basis
Commission on spa guests receipt	0.2	0.4	-	-	(2) agreed basis
Credit card commission income	0.3	0.7	0.1	0.1	(3) agreed basis
Inter resort charges payments	29.0	40.5	3.7	3.4	(4) agreed basis
Management fees expenses	44.7	62.0	-	-	(10) agreement
Sale of gallery vouchers	3.5	5.4	-	-	(12) agreed basis
Purchase of spa vouchers	7.2	2.2	3.2	1.8	(12) agreed basis
Sale of goods	13.7	4.4	-	-	(13)(i), (ii) agreed basis
Purchase of hotel units	-	13.0	-	-	(14) agreed basis
Termination of leasehold rights of hotel units	-	13.0	-	-	(14) agreed basis
Reimbursement expenses	16.9	39.3	2.9	17.4	(15) agreed basis
Reimbursement income	24.5	19.2	6.1	4.0	(15) agreed basis
Rent and service expenses	0.6	-	-	-	(16)(ii) agreement
Rent and service income	9.1	8.7	0.4	0.4	(16)(i) agreement
Rental return on hotel units	1.0	1.0	-	-	(17) agreement
Resort service charges income	1.8	2.0	-	-	(18) agreed basis
Spa service expenses	0.3	0.3	-	-	(20) agreed basis
<u>Transactions with management and directors</u>					
Interest income	1.2	0.1	1.2	0.1	(8) agreement
Sale of property	0.5	51.3	-	48.5	(19) agreement

The nature, pricing and agreements relating to the above transactions are summarised as follows:

- (1) Sale of goods from BTG(S) to other related companies which are entitled to a monthly commission of 5% of the monthly aggregate of all revenues and income derived directly from the sale of goods consigned by BTG(S) to be sold at the outlets.
- (2) These charges relate to commissions earned by LBC for its guests that it provides to the closely located Spa. This commission is paid by the Spa to incentivise LBC to market the Spa's facilities to its guests. The rates charged range from 5% to 10% of spa revenue based on the number of guests that LBC provides to the Spa each month.

(Unaudited but reviewed)

- (3) As noted in (4) below these commissions relate to instances where monies are received in a different company in which the revenue was earned. As credit card commissions are deducted from the gross receipts of customers, this transaction passes on the cost to the company in which the revenue is recognised. The rates charged range from 2% to 4% of the revenue and are based on the actual commissions charged by the credit card companies.
- (4) These charges relate to goods and services that are consumed by customers in one part of Laguna Phuket but are billed centrally to the customer at the hotel at which the customer is staying. Such charges relate to meals at restaurants, golf fees, treatments at Spa's and goods purchased at shops in the resort. On receiving the funds centrally from the customer, the hotel reimburses the company in which the goods and services are consumed. Actual receipts are paid and handling charges are not charged with the exception of credit card commission which is disclosed separately in (3) above. Such inter resort charges are also incurred at the Banyan Tree Bangkok primarily for treatments of spa and goods purchased in the shops.
- (5) Estate maintenance and service charges by LSC to the project developers in respect of providing centralised services to residential projects in Laguna Phuket are at the following rates:
- Water charge : at the determined price and actual usage
 - Ground and landscape maintenance : a fixed monthly charge
 - Engineering service : a fixed monthly charge
 - Shuttle bus service : a fixed monthly charge
 - Other ad hoc services : actual cost for material used plus a labor cost of Baht 300 per person per hour
 - Estate service management^(*) : a fixed monthly charge
 - In house and common area landscape works^(*) : actual cost plus certain margin

^(*)From October 2008, these services are being rendered by LGL.

(Unaudited but reviewed)

- (6) Guarantee fee among group companies for permitting their assets to be pledged as collateral for other related companies' bank loans by charging on 1% of proportion of value of pledged assets to total loan facilities.
- (7) Loans have been provided to LBTH to fund the construction of the Banyan Tree Lijiang Hotel which are denominated in US dollars. The loans are long-term loans which carry interest at a rate of 7% and 7.25% per annum and are repayable 8 years after each drawdown and 8 years after the first drawdown respectively.
- (8) Financial assistance provided to employees for acquisition of a property developed by the Company or its subsidiaries. A staff advance of 10% of selling price of a property is funded by the employee's employer and is repayable by the employee over a period of 5 years with monthly repayments consisting of both interest and principal. A loan by the developer equal to 80% of selling price is to be settled in full with the property developer within 5 years of the property completion. Both advance and loan are subject to interest at the group's cost of funds plus 0.5% per annum.
- (9) Loans to subsidiaries and between group companies are unsecured and are denominated in Thai Baht, except for loans to LBTH, which are denominated in US dollars as in (7) above. The Baht loans carry interest at a rate equal to the lenders' borrowing costs per annum (based upon commercial bank's interest rates) plus a margin of 1.1%. The loans are repayable on demand, however it is expected that those loans would not be called for repayment in the short-term. Therefore such loans are recorded as non-current assets/liabilities in the balance sheet.
- (10) The terms of the operating agreements are disclosed in Note 13 and consist of a royalty agreement, hotel management agreement and technical assistance agreement. The payment terms of the contracts are as follows:

Royalty agreement fee paid to BTHR (2008: basic management fee)

- (i) Banyan Tree Phuket pays a royalty fee of 2% of total revenue for the "Banyan Tree Resort" license
- (ii) Banyan Tree Bangkok pays a royalty fee of 3% of total revenue for the "Banyan Tree" license.

(Unaudited but reviewed)

Hotel management agreement and technical assistance agreement fees paid to BTRS(T) (2008: incentive fee)

- (iii) The technical assistance agreement of the Banyan Tree Phuket pays a technical fee of 7.5% of gross operating profit.
- (iv) The Technical Assistance Agreement to conduct the golf business pays a basic technical fee of 3% of total revenue and an incentive fee of 10% of gross operating profit.
- (v) The hotel management agreement of the Banyan Tree Bangkok pays a hotel management fee of 10% of gross operating profit.
- (vi) In addition, pursuant to the hotel management agreements, expenses relating to the sharing of group marketing costs, i.e., promotional campaigns and adverts, sales staff salaries, central reservations and international sales offices incurred by the Banyan Tree corporate head office shall be charged as follows:
 - Group marketing services shared on a group basis are based on 3% of the budgeted revenues of the hotels.
 - Reservation service fees are 1% of room revenue plus Baht 400 or Baht 450 per reservation transaction. (2008: USD 10 per reservation transaction)

The operating agreements were entered into effective January 2009 and replaced the former agreements entered into with BTHR.

All management fees are consistent with industry practice and the sharing of group marketing costs incurred by LBTL and TWPL are the reimbursement of costs benefiting each of the hotels. As a result these transactions are on normal commercial terms and conditions.

- (11) LRH provides architectural services and manages projects that are undertaken during the year. The contracted fee for project management is set at a rate of 5% of the actual or budgeted costs of the project and the contracted fee for architectural services is based on actual staff cost plus 10% margin.

(Unaudited but reviewed)

- (12) Purchase of Banyan Tree Spa and Banyan Tree Gallery vouchers for distribution to management to provide an additional benefit scheme. The vouchers are issued yearly to qualifying executives and are valid only within the year of issue. The voucher is priced at the face value of the voucher.
- (13) These transactions relate to:
- (i) Sale of goods from BTG(T) to related companies are priced at a 15% and 45% discount to the retail price for low volume purchases and high volume purchases respectively.
 - (ii) Sale of guest and spa supplies of high volume purchases from BTG(S) and BTG(T) to other related companies is priced at cost plus certain margin.
- (14) These transactions relate to the restructuring of ownership of units held by the group in the Angsana Resort & Spa Bintan, Indonesia. The units were originally purchased by CGL. However, due to the commencement of Laguna Holiday Club's Bintan operations by AVCI, the ownership of the units was transferred to AVCI. The prices are based on market price which was the same as the original purchase price.
- (15) Costs are often incurred in one company within the group which is reimbursed by the company to which the expense relates. Actual costs are reimbursed with no handling costs applied.
- (16) These transactions relate to rent paid for premises and land. The rental periods are not over three years, except some transactions as stated below.
- (i) Rental of hotel premises and service income received from BTRS(T) is on the basis of 5% to 10% of sales revenue which is dependent on criteria such as the location, budgeted sales, term of the lease, size of area leased and type of operation.

<u>Payee</u>	<u>Payer</u>	<u>Rental Period</u>	<u>Expiry Date</u>
BGL	BTRS(T)	30 years	November 2028
LBTL	BTRS(T)	10 years	December 2015
LRH	BTRS(T)	30 years	March 2030

(Unaudited but reviewed)

- (ii) Rental and service fee for Banyan Tree Gallery (Singapore)'s office is at the rate of SGD 3.21 per square feet per month.
 - (iii) Rental of space and service in Canal Village. The rates charged range from Baht 401 to Baht 631 (2008: Baht 382 to Baht 601) per square metre per month.
 - (iv) Rental or rental and service income earned by TWPL for renting the office space at Thai Wah Tower I and II with monthly rent varying from Baht 300 to Baht 550 per square metre which is dependent on criteria such as the location, term of lease, and size of area leased. For storage space, rental was charged at Baht 100 per square metre per month.
 - (v) Rental of land and lagoon on which hotel and hotel - related operations are located are at Baht 103,318 (2008: Baht 98,398) and Baht 10,332 (2008: Baht 9,840) per rai per annum respectively increasing by 5% per annum.
 - (vi) The air conditioning rental fee related to the use of LSC's marquee which is on the basis of Baht 7,600 per bay and Baht 2,000 per hour.
- (17) This relates to a Management Agreement to manage the hotel units of CGL in the Angsana Resort & Spa on Bintan Island, Indonesia under which CGL receives a return of 15% per annum on the investment of the leasehold rights.
- (18) Resort service charges to the hotel operations relates to revenue of LSC which provides centralised services to each operation in the group located at Laguna Phuket at the following rates:
- Utility charge : at the determined price and actual usage
 - Laundry charge : at the price based on cost plus a certain margin
 - Common area services, transportation charges : based on actual cost
 - Staff buses : based on actual cost plus a certain margin
 - Marketing fee : at the rate of 1% of the hotel operations' budgeted revenue
 - Community service : based on actual cost

(Unaudited but reviewed)

- (19) Sale of property to employees of LRH group based on the market price less applicable discount under staff housing discount policy which is based upon length of service up to a maximum of 10%. The sale transactions presented are revenue recognised in the period.
- (20) This relates to the purchase of spa vouchers by LHC from BTRS(T) which are priced at a 40% discount to the Spa price list.

Subsidiaries

AVCI	:	PT. AVC Indonesia
BGL	:	Bangtao Grande Limited
BTG(S)	:	Banyan Tree Gallery (Singapore) Pte Ltd.
BTG(T)	:	Banyan Tree Gallery (Thailand) Limited
CGL	:	Cheer Golden Limited
LBC	:	Laguna Beach Club Limited
LBTL	:	Laguna Banyan Tree Limited
LGL	:	Laguna Grande Limited
LHC	:	Laguna Holiday Club Limited
LSC	:	Laguna Service Company Limited
TWPL	:	Thai Wah Plaza Limited

Associate

LBTH	:	Lijiang Banyan Tree Hotel Company Limited
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Related companies (related by way of common shareholders, directors and/or management)

BTHR	:	Banyan Tree Hotels and Resorts Pte. Ltd.
BTRS(T)	:	Banyan Tree Resorts & Spas (Thailand) Company Limited

The Company has contingent liabilities in respect of letters of guarantee issued to banks to guarantee facilities of its subsidiaries as follows:

	<u>31 March 2009</u>	<u>31 December 2008</u>
Long-term loan facilities	780	780
Overdrafts and bank guarantee facilities	106	106
Forward exchange contract	178	178

(Unit: Million Baht)

(Unaudited but reviewed)

Subsidiaries have contingent liabilities in respect of letters of guarantee issued to banks to guarantee facilities of the Company and other subsidiaries as follows:

(Unit: Million Baht)

	<u>31 March 2009</u>	<u>31 December 2008</u>
Long-term loan facilities	795	895
Short-term loan facilities	170	170
Overdrafts and bank guarantee facilities	10	10

The significant outstanding balances owing from/to its related companies have been separately shown in the balance sheets as follows:

Amounts due from related companies

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Subsidiaries				
Bangtao Grande Limited	-	-	2,723	1,637
Laguna Banyan Tree Limited	-	-	15,250	11,790
Laguna Beach Club Limited	-	-	10,754	10,153
Laguna Grande Limited	-	-	24,941	17,049
Laguna Holiday Club Limited	-	-	1,885	1,926
Laguna Lakes Limited	-	-	19,312	14,001
Laguna Service Company Limited	-	-	240	876
Thai Wah Plaza Limited	-	-	32,550	22,743
TWR - Holdings Limited	-	-	2,833	2,543
Others	-	-	105	287
	-	-	110,593	83,005
Associate				
Lijiang Banyan Tree Hotel Co. Ltd.	51,006	44,395	230	230

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Related companies				
Banyan Tree Resorts & Spas (Thailand) Company Limited	5,238	12,605	-	8,312
Banyan Tree Hotels & Resorts Pte. Ltd.	17,384	24,273	13,666	17,495
Banyan Tree Holdings Limited	103	9,682	-	-
Banyan Tree Indochina (GP) Co., Ltd.	-	630	-	630
Banyan Tree (Private) Limited	3,657	3,744	-	-
Banyan Tree Spas Pte. Ltd.	31,138	29,528	-	-
Banyan Tree Spas (HK) Limited	19,269	19,245	-	-
Banyan Tree Resorts Limited	254	973	254	973
Banyan Tree Resorts (Seychelles) Limited	17,873	16,375	16	16
Banyan Tree Resorts & Spas (Morocco) S.A.	224	224	224	224
Jiwa Renga Resorts Limited	4,183	4,300	21	21
Heritage Spas Dubai LLC	1,910	1,456	56	56
LVCL (Thailand) Co.,Ltd.	9,606	5,849	1,009	267
Maldives Angsana Pvt. Ltd.	158	117	-	-
Maldives Bay Pvt. Ltd.	672	1,117	13	130
PT Bintan Hotels	14,461	13,597	48	34
Reef Services Pty. Ltd.	3,546	3,342	-	-
Others	4,067	2,183	6	1
	<u>133,743</u>	<u>149,240</u>	<u>15,313</u>	<u>28,159</u>
Total	<u>184,749</u>	<u>193,635</u>	<u>126,136</u>	<u>111,394</u>

Long-term loans to subsidiaries

During the three-month period ended 31 March 2009, movements of long-term loans to subsidiaries were as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2008	Addition	Repayment	31 March 2009
	Laguna (3) Limited	500	-	(500)
Laguna Banyan Tree Limited	675,000	196,150	(147,800)	723,350
Laguna Holiday Club Limited	134,710	23,100	(15,000)	142,810
Laguna Lakes Limited	416,701	-	-	416,701
TWR - Holdings Limited	472,160	255,500	(92,990)	634,670
Total	<u>1,699,071</u>	<u>474,750</u>	<u>(256,290)</u>	<u>1,917,531</u>

(Unaudited but reviewed)

Long-term loan to associate

During the three-month period ended 31 March 2009, movements of long-term loan to associate were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	31 December 2008	Exchange rate adjustment	31 March 2009
Lijiang Banyan Tree Hotel Co. Ltd.	308,965	5,201	314,166

Long-term loans to employees

(Unit: Thousand Baht)

Employees of the companies	Consolidated financial statements			
	31 December 2008	Addition	Repayment	31 March 2009
Laguna Resorts & Hotels Public Company Limited	14,933	-	(780)	14,153
Laguna Banyan Tree Limited	4,513	-	(204)	4,309
Laguna Grande Limited	8,613	-	(422)	8,191
Laguna Holiday Club Limited	4,115	-	(245)	3,870
Laguna Service Company Limited	2,792	-	(154)	2,638
Total	34,966	-	(1,805)	33,161

(Unit: Thousand Baht)

Employees of the company	Separate financial statements			
	31 December 2008	Addition	Repayment	31 March 2009
Laguna Resorts & Hotels Public Company Limited	14,933	-	(780)	14,153

Long-term loans to employees are in respect of property purchased under the Group's employee financing scheme and are charged interest at the rate of the Group's cost of funds plus a margin of 0.5%. The loans are repayable within 5 years.

(Unaudited but reviewed)

Amounts due to related companies

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Subsidiaries				
Bangtao Grande Limited	-	-	233	785
Bangtao (1) Limited	-	-	194	-
Bangtao (2) Limited	-	-	214	-
Bangtao Development Limited	-	-	168	-
Banyan Tree Gallery (Thailand) Limited	-	-	1,433	19
Laguna Banyan Tree Limited	-	-	500	450
Laguna Beach Club Limited	-	-	10,908	507
Laguna Excursions Limited	-	-	1,070	2,339
Laguna Grande Limited	-	-	4,555	3,714
Laguna Holiday Club Limited	-	-	152	75
Laguna Service Company Limited	-	-	5,270	3,921
Thai Wah Plaza Limited	-	-	1,090	1,669
TWR - Holdings Limited	-	-	239	-
Others	-	-	206	7
	-	-	26,232	13,486
Related companies				
Banyan Tree Resorts & Spas (Thailand) Company Limited	50,813	5,501	499	-
Banyan Tree Spas Pte. Ltd.	4,865	1,479	3,642	1,347
Banyan Tree Hotels & Resorts Pte. Ltd.	15,590	44,497	11	32
Banyan Tree Holdings Limited	6,507	6,692	6,414	6,692
Banyan Tree Hotels Management (Beijing) Co., Ltd.	1,244	1,352	-	-
Wah-Chang Engineering Corporation Sdn Bhd	1,995	549	-	-
Others	907	912	-	-
	81,921	60,982	10,566	8,071
Total	81,921	60,982	36,798	21,557

(Unaudited but reviewed)

Long-term loans from subsidiaries

During the three-month period ended 31 March 2009, movements of long-term loans from subsidiaries were as follows:

(Unit: Thousand Baht)

	Separate financial statements			31 March 2009
	31 December 2008	Addition	Repayment	
Laguna Grande Limited	813,640	333,800	(178,700)	968,740
Laguna (3) Limited	-	1,980	-	1,980
	<u>813,640</u>	<u>335,780</u>	<u>(178,700)</u>	<u>970,720</u>

4. Property development cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Property for sales under holiday club memberships	490,401	496,309	-	-
Completed buildings	208,795	181,246	139,076	131,188
Land	22,357	4,732	2,333	2,306
Leasehold Land	3,000	-	-	-
Property under construction	586,551	453,764	-	-
	<u>1,311,104</u>	<u>1,136,051</u>	<u>141,409</u>	<u>133,494</u>
Less: Allowance for diminution in market value of property under construction	(91,418)	(91,418)	-	-
Property development cost - net	<u>1,219,686</u>	<u>1,044,633</u>	<u>141,409</u>	<u>133,494</u>

A subsidiary has mortgaged property for sale under holiday club memberships amounting to Baht 182 million as collateral against subsidiary credit facilities, received from financial institutions.

5. Long-term trade accounts receivable

Long-term trade accounts receivable consist of:

- 5.1 Secured financing provided to customers of property sales which are denominated in United States Dollars and bear interest at a rate of 5% per annum over the Singapore Inter Bank Offered Rate (SIBOR). The loan periods vary from 5 to 15 years.

(Unaudited but reviewed)

- 5.2 Installments receivable from property sales which bear interest at a rate of 9% and 12% per annum and installments are repaid over a period of 3 to 15 years.
- 5.3 Installments receivable from sales of holiday club memberships which bear interest at a rate of 7.5% to 9% per annum and installments are repaid over a period of 2 to 5 years.

Long-term trade accounts receivable are due as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	31 March 2009			31 December 2008		
	Loan receivable	Installment receivable	Total	Loan receivable	Installment receivable	Total
Current portion of long-term trade						
accounts receivable (Note 2)	4,434	265,346	269,780	4,192	319,259	323,451
Long-term trade accounts receivable	3,891	851,631	855,522	4,522	839,117	843,639
Total	8,325	1,116,977	1,125,302	8,714	1,158,376	1,167,090
Sales of property						
Within one year (Note 2)	4,434	123,722	128,156	4,192	146,152	150,344
Between 2 - 5 years	3,891	602,369	606,260	4,522	604,217	608,739
Over 5 years	-	142,996	142,996	-	119,839	119,839
Long-term trade accounts receivable						
- sales of property	8,325	869,087	877,412	8,714	870,208	878,922
Sales of holiday club memberships						
Within one year (Note 2)	-	141,624	141,624	-	173,107	173,107
Between 2 - 5 years	-	106,266	106,266	-	115,061	115,061
Long-term trade accounts receivable -						
sales of holiday club memberships	-	247,890	247,890	-	288,168	288,168
Total	8,325	1,116,977	1,125,302	8,714	1,158,376	1,167,090

(Unit: Thousand Baht)

	Separate financial statements					
	31 March 2009			31 December 2008		
	Loan receivable	Installment receivable	Total	Loan receivable	Installment receivable	Total
Current portion of long-term trade						
accounts receivable (Note 2)	-	39,720	39,720	-	54,410	54,410
Long-term trade accounts receivable	-	526,771	526,771	-	511,199	511,199
Total	-	566,491	566,491	-	565,609	565,609
Sales of property						
Within one year (Note 2)	-	39,720	39,720	-	54,410	54,410
Between 2 - 5 years	-	385,624	385,624	-	393,208	393,208
Over 5 years	-	141,147	141,147	-	117,991	117,991
Long-term trade accounts receivable -						
- sales of property	-	566,491	566,491	-	565,609	565,609

(Unaudited but reviewed)

6. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Separate financial statements					
	Paid-up share capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 December
	2009	2008	2009	2008	2009	2008
	Million Baht	Million Baht	%	%	Million Baht	Million Baht
Subsidiaries held by the Company						
Banyan Tree Gallery (Singapore) Pte Limited	SGD 0.43	SGD 0.43	51	51	4.0	4.0
	Million	Million				
Banyan Tree Gallery (Thailand) Limited	7.8	7.8	51	51	4.0	4.0
Laguna Banyan Tree Limited ⁽¹⁾	500.0	500.0	100	100	835.1	835.1
Laguna Beach Club Limited ⁽²⁾	200.0	200.0	60	60	85.0	85.0
Laguna Holiday Club Limited	330.0	330.0	100	100	330.0	330.0
Laguna Grande Limited	1,000.0	1,000.0	100	100	914.4	914.4
Laguna Lakes Limited	1.0	1.0	95	95	0.9	0.9
Laguna Service Company Limited ⁽³⁾	90.5	90.5	89	89	22.4	22.4
Laguna (3) Limited	0.1	0.1	100	100	46.4	46.4
TWR - Holdings Limited	1,250.0	1,250.0	100	100	1,250.0	1,250.0
Subsidiaries held through TWR - Holdings Limited						
Laguna Excursions Limited	8.0	8.0	49	49	-	-
Laguna Village Limited	0.25	-	100	-	-	-
Mae Chan Property Company Limited	232.3	232.3	100	100	-	-
Pai Smart Development Company Limited	28.4	28.4	100	100	-	-
Phuket Resort Development Limited	41.4	41.4	100	100	-	-
PT AVC Indonesia	USD 0.7 Million	USD 0.7 Million	100	100	-	-
Talang Development Company Limited	251.0	251.0	50	50	-	-
Thai Wah Plaza Limited	2,250.0	2,250.0	100	100	-	-
Thai Wah Tower Company Limited	455.0	455.0	100	100	-	-
Thai Wah Tower (2) Company Limited	21.0	21.0	100	100	-	-
Twin Waters Development Company Limited	214.4	214.4	100	100	-	-

(Unaudited but reviewed)

Company's name	Separate financial statements					
	Paid-up share capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 December
	2009	2008	2009	2008	2009	2008
	Million	Million	%	%	Million	Million
Baht	Baht			Baht	Baht	
<u>Subsidiaries held through Laguna Grande Limited</u>						
Bangtao (1) Limited	20.9	20.9	100	100	-	-
Bangtao (2) Limited	19.1	19.1	100	100	-	-
Bangtao (3) Limited	7.8	7.8	100	100	-	-
Bangtao (4) Limited	14.6	14.6	100	100	-	-
Bangtao Development Limited	80.0	80.0	100	100	-	-
Bangtao Grande Limited	1,546.0	1,546.0	100	100	-	-
Laguna Central Limited	1.0	1.0	85	85	-	-
<u>Subsidiary held through Banyan Tree Gallery (Singapore) Pte Limited</u>						
Lijiang Banyan Tree Gallery Trading	USD 75	USD 75	51	51	-	-
Company Limited	Thousand	Thousand				
<u>Subsidiary held through Laguna Beach Club Limited</u>						
Laguna (1) Limited	15.0	15.0	60	60	-	-
<u>Subsidiary held through Laguna Holiday Club Limited</u>						
Cheer Golden Limited	-	-	100	100	-	-
Total investments in subsidiaries					3,492.2	3,492.2

(1) Laguna Banyan Tree Limited is held 49% by the Company and 51% through TWR - Holdings Limited

(2) Laguna Beach Club Limited is held 10% by the Company and 50% through TWR - Holdings Limited

(3) Laguna Services Company Limited is held by the Company and 3 subsidiaries

The Company has a 60% shareholding in Laguna Beach Club Limited. However, the Company has recognised its share of the profit of this subsidiary at 50% in accordance with the income sharing percentage in the Articles of Association.

The Company has a 49% shareholding in Laguna Excursions Limited. However, the Company has recognised its share of the profits of this subsidiary at 100% after deducting the cumulative preferential annual dividend of 15% of the par value of the preference shares, in accordance with the income sharing percentage in the Articles of Association.

As at 31 March 2009 and 31 December 2008, the 10,188,203 ordinary shares of Thai Wah Plaza Limited have been pledged with a bank to secure a long-term loan of the Company.

(Unaudited but reviewed)

On 24 March 2009, TWR-Holdings Limited (a subsidiary) invested in the ordinary shares of Laguna Village Limited, which is newly established and engaged in hotel operations, representing a 99.97% interest in registered and paid-up shares. The shares have a par value of Baht 100 per share, of which Baht 25 per share was paid up amounting to the value of the investment of Baht 249,925.

7. Investments in associates

(Unit: Thousand Baht)

Company' name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
			(%)	(%)				
Ownrep Project Services Pte. Ltd	Ceased operation	Singapore	50	50	18,109	18,109	-	-
Lijiang Banyan Tree Hotel Co. Ltd	Hotel operations and property development	The People's Republic of China	49	49	348,414	348,414	404,458	419,802
Tropical Resorts Ltd.	Holding company	Hong Kong	26	26	17,673	17,673	-	-
Less: Allowance for impairment of investment					(17,673)	(17,673)	-	-
					366,523	366,523	404,458	419,802

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	Share of income (loss) from investments in associates	
	For three-month periods 31 March 2009	For three-month periods 31 March 2008
Ownrep Project Services Pte. Ltd.	-	-
Lijiang Banyan Tree Hotel Co. Ltd.	(18,438)	19,582
Tropical Resorts Ltd.	-	(1,137)
	(18,438)	18,445

Ownrep Project Services Pte. Ltd., held by TWR - Holdings Limited, was incorporated in Singapore. It has now ceased operations.

Lijiang Banyan Tree Hotel Co. Ltd., held by Laguna Banyan Tree Limited, was incorporated in China and is engaged in the hotel business and property development.

Tropical Resorts Ltd., held by TWR - Holdings Limited and Laguna Banyan Tree Limited, was incorporated in Hong Kong and is engaged in investment holdings.

(Unaudited but reviewed)

The Company recognised its share of losses from the investments in Ownrep Project Services Pte. Ltd. and Tropical Resort Ltd. until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of the associates.

8. Other long-term investments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Investment in available-for-sale security				
Universal Starch Public Company Limited	50,830	50,830	23,850	23,850
Allowance for impairment of investment	(50,830)	(50,830)	(23,850)	(23,850)
Total investment in available-for-sale security - net	-	-	-	-
Investments in other companies				
Bibace Investments Limited	188,425	188,425	-	-
Banyan Tree Indochina Hospitality Fund, L.P.	31,279	-	-	-
Total investments in other companies	219,704	188,425	-	-
Total other long-term investments	<u>219,704</u>	<u>188,425</u>	<u>-</u>	<u>-</u>

On 31 December 2008, TWR - Holdings Limited entered into the Limited Partnership Agreement in respect of Banyan Tree Indochina Hospitality Fund, L.P. ("the Fund"), an exempted limited partnership formed under the laws of the Cayman Islands. The fund is managed by Banyan Tree Indochina (GP) Company Limited and focuses mainly on hotel and resort investments in Vietnam, Cambodia and Laos. Based on the projected fund size of approximately USD 300 to 400 million, the capital commitment of the subsidiary of USD 16 million would be approximately 5.3% of the fund. The injection of funds is expected to be over a period of 4 years. In January 2009, a subsidiary paid the first capital contribution of USD 0.9 million to the Fund.

(Unaudited but reviewed)

9. Property, plant and equipment / land awaiting development

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
At cost / revaluation value		
Balance as at 31 December 2008	23,610,345	2,593,034
Additions	125,181	28,423
Disposals and write off	(13,361)	(2,437)
Adjustments	(3,490)	-
Balance as at 31 March 2009	<u>23,718,675</u>	<u>2,619,020</u>
Accumulated depreciation		
Balance as at 31 December 2008	(5,251,749)	(612,069)
Depreciation charged for the period	(107,060)	(15,650)
Depreciation of revalued assets	(29,563)	(7,493)
Depreciation on disposals and write off	4,079	1,943
Balance as at 31 March 2009	<u>(5,384,293)</u>	<u>(633,269)</u>
Allowance for impairment loss		
Balance as at 31 December 2008	(8,233)	-
Balance as at 31 March 2008	<u>(8,233)</u>	-
Net book value		
Balance as at 31 December 2008	<u>18,350,363</u>	<u>1,980,965</u>
Balance as at 31 March 2009	<u>18,326,149</u>	<u>1,985,751</u>

The hotel properties and land were reappraised by an independent professional appraisal company in its report dated 27 November 2007. The revaluation was conducted using the "Income Approach" basis for hotel properties and a "Fair Market Value" basis for land.

The Company and its subsidiaries have mortgaged land and hotel buildings at fair value of Baht 14,573 million (31 December 2008: Baht 14,588 million) as collateral against credit facilities received from financial institutions (Separate financial statements: Baht 1,696 million, 31 December 2008: Baht 1,705 million).

(Unaudited but reviewed)

10. Short-term loans from financial institutions

Short-term loans from financial institutions represent promissory notes with maturity dates within 3 months, subject to interest at rates of 3.00% to 3.75 % per annum (31 December 2008: 4.50% to 6.25% per annum).

These short-term loans from financial institutions are secured by the mortgage of plots of land and hotel buildings of the Company and subsidiaries, as described in Note 9 and by the guarantee provided by subsidiaries.

11. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2009	2008	2009	2008
Accrued expenses	365,629	395,114	83,844	82,730
Advance receipts from customers	177,147	347,451	8,786	22,998
Other accounts payable	120,301	126,447	33,780	33,495
Construction payable	240,831	228,058	35,450	47,534
Service charge payable to hotel staff	27,854	40,066	7,198	9,405
Value added tax payable	69,527	71,836	8,638	9,771
Forward Contract	18,047	12,664	-	-
Accrued rental to villa owners	29,313	10,018	9,061	9,061
Unearned income	41,167	44,341	-	-
Total	<u>1,089,816</u>	<u>1,275,995</u>	<u>186,757</u>	<u>214,994</u>

12. Long - term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2009	2008	2009	2008
Secured	<u>2,742,556</u>	<u>2,989,348</u>	<u>332,500</u>	<u>399,000</u>
Long-term loans are repayable as follows:				
Within 1 year	866,565	890,415	266,000	266,000
Between 1 - 2 years	651,998	712,766	66,500	133,000
Between 3 - 5 years	833,743	979,417	-	-
Over 5 years	390,250	406,750	-	-
	<u>1,875,991</u>	<u>2,098,933</u>	<u>66,500</u>	<u>133,000</u>
Total	<u>2,742,556</u>	<u>2,989,348</u>	<u>332,500</u>	<u>399,000</u>

(Unaudited but reviewed)

Movements in the long-term loans account during the three-month period ended 31 March 2009 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2008	2,989,348	399,000
Less: Repayments	(246,792)	(66,500)
Balance as at 31 March 2009	<u>2,742,556</u>	<u>332,500</u>

Long-term loans consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008

The Company

(1) Baht loan from a bank, with a facility of Baht 892 million repayable quarterly from July 2005 to April 2010, at an interest rate as follows:				
2008 : MLR less 1% per annum and saving deposit rate plus 1.25% per annum				
2009 onwards : MLR less 1% per annum	332,500	399,000	332,500	399,000

Subsidiaries

(2) Baht loan from a bank, with a facility of Baht 200 million repayable quarterly from October 2005 to July 2009, at an interest rate as follows:				
2008 : 2% per annum and MLR less 1% per annum				
2009 : MLR less 1% per annum	40,000	60,000	-	-
(3) Baht loan from a bank, with a facility of Baht 260 million repayable quarterly from April 2006 to January 2010, at an interest rate of MLR less 2% per annum or 3 month fixed deposit rate plus 2% per annum, whichever is higher	100,000	125,000	-	-
(4) Baht loan from a bank, with a facility of Baht 600 million repayable quarterly from September 2006 to June 2011, at an interest rate of MLR less 2% per annum or 3 month fixed deposit rate plus 2% per annum, whichever is higher	405,000	430,000	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
(5) Baht loan from a bank, with a facility of Baht 100 million repayable quarterly from October 2006 to January 2009, at an interest rate of MLR less 1.5% per annum	-	10,000	-	-
(6) Baht loan from a bank, with a facility of Baht 180 million repayable quarterly from April 2006 to January 2009, at an interest rate of MLR less 1.5% per annum or 3 month fixed deposit rate plus 2% per annum whichever is higher	-	25,000	-	-
(7) Baht loan from a bank, with a facility of Baht 100 million repayable quarterly from March 2007 to June 2009, at an interest rate of MLR less 1.5% per annum or 3 month fixed deposit rate plus 2% per annum whichever is higher	20,000	40,000	-	-
(8) Baht loan from a bank, with a facility of Baht 1,004 million, repayable quarterly from December 2005 to December 2013, at an interest rate as follows: 2008 : MLR less 0.5% and 1% per annum and saving deposit rate plus 1.25% per annum 2009 onwards : MLR less 0.5% per annum	669,806	700,098	-	-
(9) Baht loan from a bank, with a facility of Baht 300 million repayable quarterly from March 2007 to June 2011, at an interest rate of MLR less 1% per annum	210,000	220,000	-	-
(10) Baht loan from a bank, with a facility of Baht 220 million repayable quarterly from June 2007 to June 2011, at an interest rate as follows: 2008 : MLR less 1% and 1.5% per annum or 3 month fixed deposit rate plus 2.5% per annum, whichever is higher 2009 onwards : MLR less 1% per annum	190,000	193,750	-	-
(11) Baht loan from a bank, with a facility of Baht 100 million, repayable quarterly from July 2008 to April 2014, at an interest rate as follows: 2008 : MLR less 0.5% and 1% per annum and saving deposit rate plus 1.25% per annum 2009 onwards : MLR less 0.5% per annum	96,250	97,500	-	-
(12) Baht loan from a bank, with a facility of Baht 90 million repayable quarterly from March 2008 to March 2010, at an interest rate of MLR less 1% per annum	40,000	50,000	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
(13) Baht loan from a bank, with a facility of Baht 1,000 million repayable quarterly from October 2009 to July 2019, at an interest rate as follows:				
2008 : MLR less 1.5% per annum and saving deposit rate plus 1.25% per annum				
2009 onwards : MLR per annum and MLR less 0.5%, 1% and 1.5% per annum	255,000	255,000	-	-
(14) Baht loan from a bank, with a facility of Baht 145 million repayable quarterly from August 2010 to May 2016, at an interest rate as follows:				
2008 : MLR less 1.5% per annum and saving deposit rate plus 1.25% per annum				
2009 onwards : MLR per annum and MLR less 0.5%, 1% and 1.5% per annum	145,000	145,000	-	-
(15) Baht loan from a bank, with a facility of Baht 20 million repayable quarterly from April 2009 to January 2011, at an interest rate of MLR less 1.25% per annum	20,000	20,000	-	-
(16) Baht loan from a bank, with a facility of Baht 400 million repayable quarterly from August 2009 to May 2013, at an interest rate as follows:				
2008 : MLR less 1.5% per annum				
2009 onwards : MLR less 0.5%, 1% and 1.5% per annum	219,000	219,000	-	-
Total long-term loans	<u>2,742,556</u>	<u>2,989,348</u>	<u>332,500</u>	<u>399,000</u>

MLR: Minimum Lending Rate

The loans are secured by the mortgage of plots of land and all hotel buildings of the Company and subsidiaries, as described in Note 9. The loan in (1) above is also secured by the pledge of the 10,188,203 ordinary shares of Thai Wah Plaza Limited as described in Note 6. The loans in (2), (5) and (9) above are guaranteed by subsidiaries. The loans in (3), (9) and (10) above are guaranteed by the Company.

The loan agreements of the Company and subsidiaries stipulate that they must comply with covenants relating to various matters, including the maintenance of financial ratios.

(Unaudited but reviewed)

As at 31 March 2009, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 1,346 million (31 December 2008: Baht 1,346 million).

13. Commitments

Capital commitment

As at 31 March 2009, the Company and its subsidiaries have commitments as follows:

- a) The Company and its subsidiaries have commitments in respect of constructing new and renovating existing hotel properties amounting to totaling Baht 26.5 million (31 December 2008: Baht 16.9 million).
- b) The Company and its subsidiaries have commitments that relate to projects to develop properties for sale amounting to approximately Baht 514 million (31 December 2008: 729 million).
- c) On 24 June 2008, a subsidiary entered into an Agreement to Purchase and Sale of Land, having a total land area of 237 rai 1 ngarn 39.6 square wah, with third party. The subsidiary will periodically acquire the land in accordance with terms and conditions as set forth in the aforesaid Agreement. The subsidiary initially acquired land, having total area of 53 rai 2 ngarn 3.4 square wah. The subsidiary holds a right to acquire the remaining land, having total area of 183 rai 3 ngarn 36.2 square wah, by 1 July 2018. On the date of registration of ownership transfer of the land acquired, the subsidiary paid the first installment of deposit for the remaining land in the amount of Baht 40.4 million. The second installment of the deposit in the amount of Baht 24.3 million shall be paid by the subsidiary within three years following 26 June 2008. The purchase price of the remaining land shall be increased at rate of 5% on every anniversary date following the date that the Agreement to Purchase and Sale of Land was executed.

(Unaudited but reviewed)

Operating agreements

The Company and its subsidiaries entered into operating agreements with certain companies whereby these companies are to operate the Company's and its subsidiaries' hotels and golf business. In consideration for such services, the Company and subsidiaries are committed to pay remuneration at the rates, terms and basis specified in the agreements. These agreements are summarised as follows:

Company	Business unit	Operator	Contract period	Fees
Laguna Resorts & Hotels Public Company Limited	Dusit Thani Laguna Phuket	Dusit Thani Public Company Limited	1.10.1992 - 30.9.2012	- Basic management fee : 2% of total revenue - Incentive fee : 5% of gross operating profit
Banglao Grande Limited	Sheraton Grande Laguna Phuket	Sheraton Overseas Management Corporation	11.1.1989 - 31.12.2012 (a)	- Basic management fee : 2% of total revenue - Incentive fee : 7.5% of gross operating profit
Laguna Grande Limited	Laguna Phuket Golf Club	Banyan Tree Resorts & Spas (Thailand) Company Limited	1.1.2009 - 31.12.2014 (b)	- Basic technical fee : 3% of total revenue - Incentive fee : 10% of gross operating profit
Laguna Banyan Tree Limited	Banyan Tree Phuket	Banyan Tree Hotels and Resorts Pte. Limited Banyan Tree Resorts & Spas (Thailand) Company Limited	1.1.2009 - 31.12.2015 (c) 1.1.2009 - 31.12.2015 (c)	- Royalty fee 2%: of total revenue - Technical fee : 7.5% of gross operating profit
Thai Wah Plaza Limited	Banyan Tree Bangkok	Banyan Tree Hotels and Resorts Pte. Limited Banyan Tree Resorts & Spas (Thailand) Company Limited	1.1.2009 - 31.12.2021 (d) 1.1.2009 - 31.12.2021 (d)	- Royalty fee 3%: of total revenue - Management fee: 10% of gross operating profit

- (a) Operator has exercised its option to extend for 10 years as the required conditions have been met.
(b) Operator has option to extend for 1 additional period of 10 years.
(c) Operator has option to extend for 1 additional period of 10 years.
(d) Operator has option to extend for 1 additional period of 20 years.

Investment commitment

On 31 December 2008, a subsidiary entered into the Limited Partnership Agreement in respect of Banyan Tree Indochina Hospitality Fund, L.P. ("the Fund"), an exempted limited partnership formed under the laws of the Cayman Islands. The fund is managed by Banyan Tree Indochina (GP) Company Limited and focuses mainly on hotel and resort investments in Vietnam, Cambodia and Laos. Based on the projected fund size of approximately USD 300 to 400 million, the capital commitment of the subsidiary of USD 16 million would be approximately 5.3% of the fund. The injection of funds is expected to be over a period of 4 years. In January 2009, a subsidiary paid the first capital contribution of USD 0.9 million to the Fund.

(Unaudited but reviewed)

14. Bank guarantees

As at 31 March 2009, there were bank guarantees amounting to Baht 48.2 million (Separate financial statements: Baht 3.8 million) issued to various parties on behalf of the Company and its subsidiaries, mainly provided for the usage of electricity, other utilities and telecommunication channels (31 December 2008: Baht 48.2 million, Separate financial statements: Baht 3.8 million).

15. Financial information by segment

The Company and its subsidiaries' business operations involve three principal segments: (1) hotel operations (2) office rental and (3) property development business. These operations are mainly carried on in Thailand. Below is the consolidated financial information of the Company and its subsidiaries by segment.

(Unit: Million Baht)

	For the three-month period ended 31 March 2009							
	Hotel Business	Gallery Operations	Others	Total Hotel Operations	Office Rental	Property Development	Elimination of inter-segment revenues	Consolidation
Revenue from external customers	917	47	56	1,020	17	203	-	1,240
Intersegment revenues	53	11	-	64	5	6	(75)	-
Total revenues	<u>970</u>	<u>58</u>	<u>56</u>	<u>1,084</u>	<u>22</u>	<u>209</u>	<u>(75)</u>	<u>1,240</u>
Segment profit	635	27	25	687	10	140		837
Interest and other income	10	-	-	10	-	15		25
Unallocated expenses:								
Selling expenses								(103)
Administrative expenses								(392)
Management benefit expense								(32)
Depreciation								(107)
Share of income from investments in associates								(18)
Finance cost								(42)
Corporate income tax								(47)
Net income for the period								<u>121</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 31 March 2008

	Hotel Business	Gallery Operations	Others	Total Hotel Operations	Office Rental	Property Development	Elimination of inter-segment revenues	Consolidation
Revenue from external customers	1,351	72	70	1,493	16	806	-	2,315
Intersegments revenues	63	4	-	67	6	-	(73)	-
Total revenues	<u>1,414</u>	<u>76</u>	<u>70</u>	<u>1,560</u>	<u>22</u>	<u>806</u>	<u>(73)</u>	<u>2,315</u>
Segment profit	968	40	38	1,046	8	477		1,531
Insurance claim	132	-	-	132	-	-		132
Interest and other income	49	-	-	49	-	(15)		34
Unallocated expenses:								
Selling expenses								(139)
Administrative expenses								(471)
Management benefit expenses								(48)
Depreciation								(105)
Share of income from investments in associates								18
Finance cost								(44)
Corporate income tax								(147)
Net income for the period								<u>761</u>

Transfer prices between businesses segments are set out as described in Note 3.

(Unit: Million Baht)

As at 31 March 2009

	Hotel Business	Gallery Operations	Others	Total Hotel operations	Office rental	Property development	Elimination of inter-segment revenues	Total
Property, plant and equipment - net	16,224	22	1,367	17,613	667	46	-	18,326
Total assets	<u>18,665</u>	<u>343</u>	<u>1,447</u>	<u>20,455</u>	<u>675</u>	<u>3,638</u>	<u>-</u>	<u>24,768</u>

(Unit: Million Baht)

As at 31 December 2008

	Hotel Business	Gallery Operations	Others	Total Hotel operations	Office rental	Property development	Elimination of inter-segment revenues	Total
Property, plant and equipment - net	16,242	24	1,367	17,633	672	45	-	18,350
Total assets	<u>18,913</u>	<u>333</u>	<u>1,436</u>	<u>20,682</u>	<u>677</u>	<u>3,580</u>	<u>-</u>	<u>24,939</u>

(Unaudited but reviewed)

16. Financial instruments

16.1 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable from the hotel, space rental, and property development businesses. However, due to the large number and diversity of the entities comprising the Company and its subsidiaries' customer base, the Company and its subsidiaries do not anticipate material losses from debt collection.

16.2 Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relate primarily to their deposits with financial institutions, long-term trade accounts receivable and bank overdrafts and loans. However, since most of the Company and its subsidiaries' financial assets and liabilities have floating interest rates or fixed interest rates which are close to the market interest rates, the interest rate risk is expected to be minimal. The Company and its subsidiaries do not use derivative financial instruments to hedge such risk (the detail of long-term loans are set out in Note 12).

	Consolidated financial statements					Fixed Interest rate (% p.a.)
	Fixed interest rates			Floating interest rate	Total	
	Within 1 year	2-5 years	Over 5 years			
						(Million Baht)
<u>Financial assets</u>						
Cash equivalents (excluding cash)	48	-	-	454	502	0.75% - 1.625%
Restricted deposits at financial institution	2	-	-	-	2	0.75%
Long-term trade accounts receivable	265	709	143	8	1,125	7.5% - 12%
Long-term loan to associate	-	-	314	-	314	7%, 7.25%
Long-term loans to employees	-	-	-	33	33	-
<u>Financial liabilities</u>						
Short-term loans from financial institutions	-	-	-	605	605	-
Long-term loans from financial institutions	-	-	-	2,743	2,743	-

(Unaudited but reviewed)

	Separate financial statements					Fixed interest rate (% p.a.)
	Fixed interest rates			Floating interest rate	Total	
	Within 1 year	2-5 years	Over 5 years			
	(Million Baht)					
Financial assets						
Cash equivalents (excluding cash)	-	-	-	48	48	-
Long-term trade accounts receivable	39	386	141	-	566	7.5% - 12%
Long-term loans to subsidiaries	-	-	-	1,918	1,918	-
Long-term loans to employees	-	-	-	14	14	-
Financial liabilities						
Short-term loans from financial institutions	-	-	-	305	305	-
Long-term loans from subsidiaries	-	-	-	970	970	-
Long-term loans from financial institutions	-	-	-	333	333	-

16.3 Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk relates primarily to their receivables, payables and loans which are denominated in foreign currencies. In addition to those transactional exposures, the Company is also exposed to the effect of foreign exchange movements on its investment in foreign subsidiaries and associates, which currently are not hedged by any derivative financial instrument.

The Company and a subsidiary have entered into forward exchange contracts to hedge their hotel revenues which are denominated in foreign currencies. Forward exchange contracts outstanding as at 31 March 2009 are summarised below.

Foreign currency	Outstanding amount bought	Forward rate for outstanding amount (Baht per US dollar)	Maturity
The Company			
US dollar	4.8 million	41.57	USD 1.6 million due quarterly from 30 April 2009 to 31 October 2009
US dollar	3.3 million	40.03	USD 1.7 million due quarterly from 31 January 2010 to 30 April 2010
A subsidiary			
US dollar	10.9 million	34.01	USD 0.9 million due quarterly from 30 June 2009 to 31 December 2009, USD 1.0 million due quarterly from 31 March 2010 to 31 December 2010 and USD 1.1 million due quarterly from 31 March 2011 to 31 December 2011

(Unaudited but reviewed)

Foreign currency assets/liabilities

As at 31 March 2009, the outstanding balances of the Company and its subsidiaries' financial assets and liabilities denominated in foreign currencies are as follows:

(Unit: Thousand)

<u>Foreign currency</u>	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	<u>financial statements</u>	<u>financial statements</u>
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
US dollar	17,510	521	2,251	106
Singapore dollar	2,031	1,126	-	298
Euro	728	-	348	-

17. Litigation

- a) A case was brought to the Southern Bangkok Civil Court in which the Company is defendant. Upon the plaint, the plaintiff asked the Court to revoke the resolution of the Extraordinary General Meeting of Shareholders of the defendant No. 1/2007 held on 4 July 2007 (the "EGM") and to cancel the registration of the aforementioned resolution on the grounds that the defendant and the chairman of the EGM did not allow the plaintiff to attend the EGM. The plaintiff is not a shareholder of the Company.

The Company considers the EGM was duly held and approved the resolution in compliance with its Articles of Association and applicable laws.

This case is currently pending judgement of the President of the Supreme Court as to whether this case falls under the jurisdiction of the Civil Court or the Bankruptcy Court.

- b) A case was brought to the Southern Bangkok Civil court on 3 July 2008 in which the Company is one of the defendants. Upon the plaint, the 6 plaintiffs claimed that they are the creditors of one of the Company's shareholders. They asserted that in arranging the Extraordinary General Meeting of Shareholders No. 1/2007 and approving the capital increase by the shareholders where some shareholders did not subscribe for newly issued shares were actions jointly undertaken by the shareholders and the Company to commit a tort against the plaintiffs. Thus, they demanded the Company to pay the damages of Baht 539 million to them with interest of 7.5% per year and the costs of the legal proceedings.

(Unaudited but reviewed)

The Company considers that the Company did not commit a tort against the plaintiffs as accused, therefore no provision has been made in the accounts.

This case is currently pending at the Court of First instance.

18. Subsequent event

On 24 April 2009, the Annual General Meeting of the Company's shareholders approved the payment of a dividend from the retained earnings as at 31 December 2008 to the Company's shareholders of Baht 2.20 per share, or a total of Baht 367 million.

19. Reclassification

Certain amounts in the financial statements for the three-month period ended 31 March 2008 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
<u>Income statements</u>				
<u>Revenues</u>				
Revenues from hotel operations	1,492,864	1,487,779	204,107	204,107
Revenue from property development operations	806,237	818,063	361,771	361,771
Foreign exchange gain	-	16,011	-	30,985
Insurance claim	132,404	-	51,165	-
Other income	19,671	136,064	38,318	58,498
<u>Expenses</u>				
Cost of hotel operations	446,346	447,595	43,701	43,701
Cost of property development operations	329,340	333,668	149,125	149,125
Selling expenses	139,083	-	17,863	-
Administrative expenses	481,737	658,711	95,878	136,168
Management benefit expenses	37,579	-	23,279	-
Directors' remuneration	-	852	-	852

(Unaudited but reviewed)

20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2009.