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Miscellaneous	
* Asterisks denote mandatory information	
Name of Announcer *	BANYAN TREE HOLDINGS LIMITED
Company Registration No.	200003108H
Announcement submitted on behalf of	BANYAN TREE HOLDINGS LIMITED
Announcement is submitted with respect to *	BANYAN TREE HOLDINGS LIMITED
Announcement is submitted by *	Jane Teah
Designation *	Company Secretary
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>> Announcement Details
The details of the announcement start here ...


Announcement Title * Laguna Resorts & Hotels Public Company Limited and its Subsidiaries Review Report and Interim Consolidated Financial Statements for the Three-Month Period ended 31 March 2010

Description

Attached are the announcements to the Stock Exchange of Thailand made by Laguna Resorts & Hotels Public Company Limited, a subsidiary of Banyan Tree Holdings Limited:-

1. Financial Statements 1st Quarter 2010
2. The explanation of operating results for the 1st quarter 2010
3. Reviewed Quarter - 1 and Consolidated F/S (F45-3)
4. BOD Resolution – Approval of the 1st Quarter 2010 Financial Statements

Attachments

-  1-LRH_FS_Q1-2010_11.05.2010.pdf
-  2-LRH_ExplanationOfOperatingResults_Q1-2010_11.05.2010.pdf
-  3-LRH_F45-3_Q1-2010_11.05.2010.pdf
-  4-LRH_BoDResolution_11.05.2010.pdf

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Laguna Resorts & Hotels Public Company Limited
and its subsidiaries
Review report and interim consolidated financial statements
For the three-month period ended 31 March 2010

Review report of independent auditor

To the Shareholders of Laguna Resorts & Hotels Public Company Limited

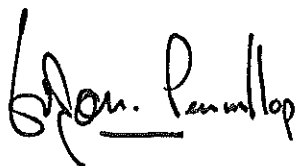
I have reviewed the accompanying consolidated balance sheet of Laguna Resorts & Hotels Public Company Limited and its subsidiaries as at 31 March 2010, the related consolidated statements of income, changes in shareholders' equity, and cash flows for the three-month period ended 31 March 2010, and the 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 2010, these subsidiaries had total assets of Baht 1,430 million and total revenues for the three-month period ended 31 March 2010 of Baht 152 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.

I have previously audited the consolidated financial statements of Laguna Resorts & Hotels Public Company Limited and its subsidiaries, and the separate financial statements of Laguna Resorts & Hotels Public Company Limited for the year ended 31 December 2009 in accordance with generally accepted auditing standards, and expressed an unqualified opinion on those financial statements, based on my report dated 23 February 2010. The consolidated and separate balance sheets as at 31 December 2009, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on and the report of the other auditor of subsidiaries. I have not performed any other audit procedures subsequent to the date of that report.

The consolidated statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2009 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 another auditor whose reported date 12 May 2009, stated that base of on her review and the reports of the other auditor, nothing come to her attention that cause hers to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.



Sophon Permsirivalop
Certified Public Accountant (Thailand) No. 3182

Ernst & Young Office Limited
Bangkok: 11 May 2010

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)
Assets					
Current assets					
Cash and cash equivalents		637,576	627,907	48,901	35,596
Trade accounts receivable - net	2	668,076	804,906	82,554	97,590
Amounts due from related parties	3	92,372	93,393	55,915	93,750
Inventories - net		141,759	147,633	13,617	14,312
Property development cost - net	4	1,679,317	1,540,104	169,160	133,848
Other current assets		239,702	210,305	50,478	49,930
Total current assets		3,458,802	3,424,248	420,625	425,026
Non-current assets					
Restricted deposits at financial institution		2,140	2,140	-	-
Long-term trade accounts receivable	5	677,948	777,252	346,916	438,197
Investments in subsidiaries	6	-	-	3,492,207	3,492,207
Investments in associates- net	7	379,306	395,393	-	-
Other long-term investments - net	8	232,223	232,223	-	-
Long-term loans to subsidiaries	3	-	-	2,139,991	2,408,491
Long-term loans to employees	3	22,304	25,112	9,748	11,682
Property, plant and equipment - net	9	15,478,153	15,567,800	1,195,211	1,210,525
Land awaiting development		811,974	809,396	31,040	28,639
Goodwill		385,492	385,492	-	-
Leasehold rights - net		29,522	30,940	-	-
Other non-current assets		48,307	50,438	3,458	5,720
Total non-current assets		18,067,369	18,276,186	7,218,571	7,595,461
Total assets		21,526,171	21,700,434	7,639,196	8,020,487

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 2010	31 December 2009	31 March 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	10	-	520,000	-	260,000
Trade accounts payable		212,643	248,149	21,204	32,106
Current portion of long-term loans from financial institutions	12	704,498	827,766	119,000	168,000
Amounts due to related parties	3	137,154	101,930	74,895	18,233
Corporate income tax payable		158,084	71,531	13,294	6,979
Other current liabilities	11	861,788	1,059,897	126,154	179,808
Total current liabilities		2,074,167	2,829,273	354,547	665,126
Non-current liabilities					
Long-term loans from subsidiaries	3	-	-	830,640	881,140
Long-term loans from financial institutions - net of current portion	12	2,301,771	1,956,434	367,500	385,000
Other non-current liabilities		87,593	91,816	14,467	23,232
Total non-current liabilities		2,389,364	2,048,250	1,212,607	1,289,372
Total liabilities		4,463,531	4,877,523	1,567,154	1,954,498

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	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
	(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	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	1,666,827
Share premium	2,062,460	2,062,460	2,062,460	2,062,460
Capital reserve	634,699	634,699	-	-
Unrealised gain				
Revaluation surplus on assets	7,115,981	7,124,038	775,050	776,261
Translation adjustment	71,196	85,036	-	-
Retained earnings				
Appropriated - statutory reserve	166,683	166,683	166,683	166,683
Unappropriated	4,354,038	4,118,986	1,401,022	1,393,758
	4,520,721	4,285,669	1,567,705	1,560,441
Equity attributable to the Company's shareholders	16,071,884	15,858,729	6,072,042	6,065,989
Minority interest	990,756	964,182	-	-
Total shareholders' equity	17,062,640	16,822,911	6,072,042	6,065,989
Total liabilities and shareholders' equity	21,526,171	21,700,434	7,639,196	8,020,487

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 2010 and 2009

(Unit: Thousand Baht)

	Consolidated		Separate		
		financial statements	financial statements		
	Note	2010	2009	2010	2009
Revenues					
Revenues from hotel operations		1,308,748	1,020,593	241,354	194,843
Revenues from property development operations		241,658	202,921	790	17,923
Revenues from office rental operations		10,422	17,256	-	-
Interest income		18,496	21,483	35,831	30,239
Foreign exchange gain		4,283	-	594	-
Other income		68,747	3,226	16,997	23,519
Total revenues		1,652,354	1,265,479	295,566	266,524
Expenses					
Cost of hotel operations		394,256	333,217	44,803	42,230
Cost of property development operations		61,710	62,542	2	4,834
Cost of office rental operations		5,721	7,119	-	-
Selling expenses		118,172	103,388	16,246	13,811
Administrative expenses		458,857	395,675	93,351	78,986
Loss on termination of property sales	3	76,711	-	76,711	-
Management benefit expenses		27,825	27,961	20,447	19,071
Depreciation		110,949	107,060	15,546	15,650
Total expenses		1,254,201	1,036,962	267,106	174,582
Income before share of loss from investment					
in associate, finance cost and corporate income tax		398,153	228,517	28,460	91,942
Share of loss from investment in associate		(4,027)	(18,438)	-	-
Income before finance cost and corporate income tax		394,126	210,079	28,460	91,942
Finance cost		(35,064)	(41,825)	(13,190)	(15,968)
Income before corporate income tax		359,062	168,254	15,270	75,974
Corporate income tax		(95,127)	(47,225)	(8,006)	-
Net income for the period		263,935	121,029	7,264	75,974
Net income attributable to:					
Equity holders of the parent		235,052	109,307	7,264	75,974
Minority interest		28,883	11,722		
		<u>263,935</u>	<u>121,029</u>		
Basic earnings per share					
Net income attributable to equity holders of the parent (Baht)		1.41	0.66	0.04	0.46

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 changes in shareholders' equity

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to the Company's shareholders									
	Issued and fully paid-up share capital	Share premium	Capital reserve	Revaluation surplus on assets	Translation adjustment	Appropriated - statutory reserve	Retained earnings	Unappropriated	Minority interest	Total
Balance as at 31 December 2008	1,666,827	2,062,460	634,699	9,589,532	110,064	151,714	4,367,298	18,582,594	1,141,706	19,724,300
Income and expenses recognised directly in equity:										
Amortisation of revaluation surplus on assets	-	-	-	(26,713)	-	-	-	(26,713)	(2,850)	(28,563)
Translation adjustment	-	-	-	-	2,328	-	-	2,328	(1,806)	522
Net income and expenses recognised directly in equity	-	-	-	(26,713)	2,328	-	-	(24,385)	(4,656)	(28,041)
Net income for the period	-	-	-	-	-	-	109,307	109,307	11,722	121,029
Total income and expenses for the period	-	-	-	(26,713)	2,328	-	109,307	84,922	7,066	91,988
Balance as at 31 March 2009	1,666,827	2,062,460	634,699	9,562,819	112,392	151,714	4,476,605	18,667,516	1,148,772	19,816,288
Balance as at 31 December 2009	1,666,827	2,062,460	634,699	7,124,038	85,036	166,683	4,118,986	15,858,729	964,182	16,822,911
Income and expenses recognised directly in equity:										
Amortisation of revaluation surplus on assets	-	-	-	(8,057)	-	-	-	(8,057)	(537)	(8,594)
Translation adjustment	-	-	-	-	(13,840)	-	-	(13,840)	(1,772)	(15,612)
Net income and expenses recognised directly in equity	-	-	-	(8,057)	(13,840)	-	-	(21,897)	(2,309)	(24,206)
Net income for the period	-	-	-	-	-	-	235,052	235,052	28,883	263,935
Total income and expenses for the period	-	-	-	(8,057)	(13,840)	-	235,052	213,155	26,574	239,729
Balance as at 31 March 2010	1,666,827	2,062,460	634,699	7,115,981	71,196	166,683	4,354,038	16,071,884	990,756	17,062,640

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 changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Share premium	Revaluation surplus on assets	Retained earnings - Appropriated - Statutory reserve	Unappropriated
Balance as at 31 December 2008	1,666,827	2,062,460	1,562,569	151,714	1,127,572
Income and expenses recognised directly in equity:					
Amortisation of revaluation surplus on assets	-	-	(7,493)	-	-
Net income and expenses recognised directly in equity	-	-	(7,493)	-	-
Net income for the period	-	-	-	-	75,974
Total income and expenses for the period	-	-	(7,493)	-	75,974
Balance as at 31 March 2009	1,666,827	2,062,460	1,555,076	151,714	1,203,546
Balance as at 31 December 2009	1,666,827	2,062,460	776,261	166,683	1,393,758
Income and expenses recognised directly in equity:					
Amortisation of revaluation surplus on assets	-	-	(1,211)	-	-
Net income and expenses recognised directly in equity	-	-	(1,211)	-	-
Net income for the period	-	-	-	-	7,264
Total income and expenses for the period	-	-	(1,211)	-	7,264
Balance as at 31 March 2010	1,666,827	2,062,460	775,050	166,683	1,401,022

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

6,065,989

6,072,042

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statements of cash flows

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2010	2009	2010	2009
Cash flows from operating activities				
Net income before tax	359,062	168,254	15,270	75,974
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation	110,949	107,060	15,546	15,650
Amortisation of leasehold rights	612	610	-	-
Allowance for doubtful accounts (reversal)	8,964	(7,553)	1,314	(5,905)
Provision for obsolete inventory (reversal)	(615)	143	-	-
Share of loss from investment in associate	4,027	18,438	-	-
Unrealised foreign exchange loss (gain)	(9,455)	3,735	(1,645)	4,715
Loss (gain) on sales of property, plant and equipment	(1,823)	(390)	15	(390)
Write off property, plant and equipment	31	8,298	-	-
Interest income	(18,496)	(21,483)	(35,831)	(30,239)
Interest expenses	35,064	41,825	13,190	15,968
Income from operating activities before changes in operating assets and liabilities	488,320	318,937	7,859	75,773
Operating assets (increase) decrease				
Trade accounts receivable	125,730	204,113	13,722	81,795
Amounts due from related parties	1,021	8,886	37,377	(9,468)
Inventories	6,489	14,208	695	2,095
Property development cost	(138,858)	(173,380)	(35,313)	(7,915)
Other current assets	(16,420)	160,515	953	72,035
Long-term trade accounts receivable	99,304	(11,883)	91,282	(15,572)
Other non-current assets	(801)	3,481	(139)	2,779
Operating liabilities increase (decrease)				
Trade accounts payable	(35,506)	(17,286)	(10,902)	(8,594)
Amounts due to related parties	35,224	20,939	61,693	15,403
Other current liabilities	(197,860)	(189,357)	(53,618)	(28,171)
Other non-current liabilities	(4,223)	4,441	(8,765)	3,181
Cash flow from operating activities	362,420	343,614	104,844	183,341
Cash received for interest income	18,592	20,580	31,513	24,489
Cash paid for interest expense	(35,314)	(42,102)	(13,337)	(16,196)
Cash paid for corporate income tax	(12,802)	(13,332)	(1,691)	(3,169)
Net cash flows from operating activities	332,896	308,760	121,329	188,465

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 2010 and 2009

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2010	2009	2010	2009
Cash flows from investing activities				
Decrease (increase) in long-term loans to subsidiaries	-	-	268,500	(218,460)
Decrease in long-term loans to employees	2,808	1,805	1,934	780
Cash payments for acquisition of property, plant and equipment	(28,455)	(125,181)	(1,470)	(28,423)
Cash received from sales of property, plant and equipment	351	1,374	12	884
Purchase of investment in associate	-	(31,279)	-	-
Net cash flow from (used in) investing activities	(25,296)	(153,281)	268,976	(245,219)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(520,000)	119,000	(260,000)	(28,000)
Increase (decrease) in long-term loans from subsidiaries	-	-	(50,500)	157,080
Draw down of long-term loans from financial institutions	553,010	-	-	-
Repayment of long-term loans from financial institutions	(330,941)	(246,792)	(66,500)	(66,500)
Net cash flow from (used in) financing activities	(297,931)	(127,792)	(377,000)	62,580
Net increase in cash and cash equivalents	9,669	27,687	13,305	5,826
Cash and cash equivalents at beginning of period	627,907	474,125	35,596	41,982
Cash and cash equivalents at end of period	637,576	501,812	48,901	47,808

Supplemental cash flows information:

Non-cash items

Amortisation of revaluation surplus on assets	8,594	29,563	1,211	7,493
Translation adjustment of associate	(12,060)	-	-	-
Transferred land awaiting development to property development cost	355	-	-	-
Transferred other non-current assets to land awaiting development	2,932	-	2,401	-

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 2010 and 2009

1. General information

1.1 Corporate information

Laguna Resorts & Hotels Public Company Limited ("the Company", "LRH") 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 five hotels in Laguna Phuket, namely Dusit Thani Laguna Phuket, Laguna Beach Resort, Sheraton Grande Laguna Phuket, Banyan Tree Phuket and Outrigger Laguna Phuket Resort and Villas, located in Phuket province and one hotel, the Banyan Tree Bangkok, located in Bangkok. The subsidiaries are also engaged 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 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 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 34 (revised 2007) "Interim financial reporting", 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.

(Unaudited but reviewed)

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.

1.3 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 2009. There have been no changes in the composition of the subsidiaries during the current period.

The percentage of the total assets and total revenues of the major subsidiaries as included in the consolidated financial statements as at 31 March 2010 are as follows:

Subsidiaries	Percentage of total assets included in the consolidated balance sheets	Percentage of total revenues included in the consolidated income statements
Bangtao Development Limited	18.3	2.9
Bangtao Grande Limited	3.7	17.8
Laguna Beach Club Limited	3.1	9.2
Laguna Banyan Tree Limited	13.6	23.8
Laguna Grande Limited	8.8	3.4
Laguna Holiday Club Limited	3.9	5.8
Thai Wah Plaza Limited	13.5	13.5

1.4 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 2009.

(Unaudited but reviewed)

2. Trade accounts receivable

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Trade accounts receivable - hotel operations	336,734	343,589	73,678	75,811
Less: Allowance for doubtful accounts	(31,210)	(23,184)	(3,968)	(3,217)
Trade accounts receivable - hotel operations, net	305,524	320,405	69,710	72,594
Trade accounts receivable - sales of property				
- Installments due	40,549	40,412	3,183	13,258
- Unbilled receivable (not yet due)	49,705	182,333	-	-
Current portion of long-term trade accounts receivable (Note 5)	129,602	122,876	22,835	24,349
Total	219,856	345,621	26,018	37,607
Less: Allowance for doubtful accounts				
- Trade accounts receivable - sales of property	(10,626)	(31,396)	(1,124)	(12,611)
- Current portion of long-term trade accounts receivable (Note 5)	(31,915)	(10,207)	(12,050)	-
Trade accounts receivable - sales of property, net	177,315	304,018	12,844	24,996
Trade accounts receivable - sales of holiday club memberships				
- Installments due	64,778	34,195	-	-
Current portion of long-term trade accounts receivable (Note 5)	123,059	148,888	-	-
Total	187,837	183,083	-	-
Less: Allowance for doubtful accounts	(2,600)	(2,600)	-	-
Trade accounts receivable - sales of holiday club memberships, net	185,237	180,483	-	-
Trade accounts receivable - net	668,076	804,906	82,554	97,590

(Unaudited but reviewed)

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 2010	31 December 2009	31 March 2010	31 December 2009
<u>Age of receivables</u>				
Not yet due	156,028	180,934	39,546	57,094
Past due				
Up to 30 days	83,814	78,615	17,826	12,781
31 – 60 days	49,813	35,625	11,929	1,937
61 – 90 days	9,215	13,832	778	1,285
91 – 120 days	4,801	3,332	1,786	954
Over 120 days	33,063	31,251	1,813	1,760
Total	336,734	343,589	73,678	75,811
Less: Allowance for doubtful debts	(31,210)	(23,184)	(3,968)	(3,217)
Trade accounts receivable – hotel operations, net	<u>305,524</u>	<u>320,405</u>	<u>69,710</u>	<u>72,594</u>

The balances of installments 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 2010	31 December 2009	31 March 2010	31 December 2009
<u>Age of receivables</u>				
Past due				
Up to 30 days	24,544	11,898	739	3,200
31 – 60 days	1,555	1,436	598	1,064
61 – 90 days	3,102	1,327	502	1,064
91 – 120 days	8,153	9,110	417	958
Over 120 days	3,195	16,641	927	6,972
Total	40,549	40,412	3,183	13,258
Less: Allowance for doubtful debts	(10,626)	(31,396)	(1,124)	(12,611)
Trade accounts receivable – sales of property - installment due, net	<u>29,923</u>	<u>9,016</u>	<u>2,059</u>	<u>647</u>

(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
<u>Age of receivables</u>				
Past due				
Up to 30 days	20,519	11,530	-	-
31 – 60 days	2,927	2,312	-	-
61 – 90 days	23,635	2,339	-	-
91 – 120 days	5,963	1,719	-	-
Over 120 days	11,734	16,295	-	-
Total	64,778	34,195	-	-
Less: Allowance for doubtful debts	(2,600)	(2,600)	-	-
Trade accounts receivable – sales of holiday club members – installment due, net	62,178	31,595	-	-

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				
	2010	2009	2010	2009	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Credit card commission receipts	-	-	0.2	0.2	(3) agreed basis
Inter resort charges receipts	-	-	3.2	2.9	(4) agreed basis
Inter resort charges payments	-	-	8.4	6.9	(4) agreed basis
Estate service expenses	-	-	0.3	0.1	(5) at market price
Guarantee fee income	-	-	0.3	0.9	(6) agreed basis
Guarantee fee expenses	-	-	-	1.2	(6) agreed basis
Interest income	-	-	25.4	23.0	(9) agreement
Interest expenses	-	-	6.2	8.2	(9) agreement

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month period ended 31 March				
	2010	2009	2010	2009	
Management fees income	-	-	0.1	19.2	(11) agreement
Purchase of gallery vouchers	-	-	1.6	1.6	(12) agreed basis
Purchase of goods	-	-	0.1	-	(13)(i) agreed basis
Reimbursement receipts	-	-	4.1	12.6	(15) agreed basis
Reimbursement payments	-	-	4.3	4.4	(15) agreed basis
Rent and service income	-	-	2.8	2.4	(16)(i), (iii) agreement
Rent and service expenses	-	-	3.6	3.6	(16)(iv), (v), (vi) agreement
Resort service expenses	-	-	11.6	11.4	(18) agreed basis
<u>Transactions with associate</u>					
Interest income	-	5.5	-	-	(7) agreement
Sale of gallery vouchers	0.4	0.4	-	-	(12) agreed basis
Sale of goods	1.1	-	-	-	(13)(ii) agreed basis
Reimbursement receipts	1.2	0.8	-	-	(15) agreed basis
Reimbursement payments	0.6	-	-	-	(15) agreed basis
Rent and service expenses	0.1	-	-	-	(16)(i) agreement
<u>Transactions with related companies</u>					
Commission expenses on consignment sales	-	0.1	-	-	(1) agreed basis
Commission income on spa guests	0.3	0.2	-	-	(2) agreed basis
Credit card commission receipts	0.4	0.3	0.1	0.1	(3) agreed basis
Inter resort charges payments	37.3	29.0	3.8	3.7	(4) agreed basis
Management fee income	0.2	0.2	0.2	0.2	(20) agreement
Management fees expenses	52.4	44.7	-	-	(10), (21) agreement
Sale of gallery vouchers	4.9	3.5	-	-	(12) agreed basis
Purchase of spa vouchers	5.7	7.2	2.4	3.2	(12) agreed basis
Sale of goods	8.2	13.7	-	-	(13)(i), (ii) agreed basis
Reimbursement receipts	17.7	24.5	4.5	6.1	(15) agreed basis
Reimbursement payments	17.2	16.9	0.1	2.9	(15) agreed basis
Rent and service income	11.2	9.1	0.4	0.4	(16)(i), (iv), (vii), (viii), (ix), (x) agreement
Rent and service expenses	-	0.6	-	-	(16)(ii) agreement
Rental return on hotel units	1.0	1.0	-	-	(17) agreement
Resort service income	1.9	1.8	-	-	(18) agreed basis
Spa service expenses	0.1	0.3	-	-	(19) agreed basis
Training charge	11.3	-	10.7	-	(14) 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				
	2010	2009	2010	2009	
<u>Transactions with management and directors</u>					
Interest income	1.3	1.2	1.0	1.2	(8) agreement
Sale of property	36.1	0.5	-	-	at market price
Termination of property sold	120.8	-	120.8	-	(22) at market price

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

- (1) Sale of goods from Banyan Tree Gallery (Singapore) Pte Ltd. 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 Banyan Tree Gallery (Singapore) Pte Ltd. to be sold at the outlets.
- (2) These charges relate to commissions earned by Laguna Beach Resort (Laguna Beach Club Limited) for bringing in its hotel guests to use the services of the Angsana Spa which is located nearby. This commission is paid by the Spa to incentivise the hotel to promote 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 the hotel provides to the Spa each month.
- (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 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 the spa 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 at the spa and goods purchased at the shops.

(Unaudited but reviewed)

- (5) Estate maintenance and service charges by Laguna Grande Limited in respect of providing services such as pool cleaning service, gardening service, etc to residential projects in Laguna Phuket which charges are at market price.
- (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 Lijiang Banyan Tree Hotel Company Limited 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. The loans were fully repaid in August 2009.
- (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 Lijiang Banyan Tree Hotel Company Limited, 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:

(Unaudited but reviewed)

Royalty agreement fee paid to Banyan Tree Hotels and Resorts Pte. Ltd. for the use of "Banyan Tree" trademark and all other proprietary rights associated with it.

- (i) Banyan Tree Phuket (Laguna Banyan Tree Limited) pays a royalty fee of 2% of total revenue.
- (ii) Banyan Tree Bangkok (Thai Wah Plaza Limited) pays a royalty fee of 3% of total revenue.

Hotel management agreement and technical assistance agreement fees paid to Banyan Tree Resorts & Spas (Thailand) Company Limited.

- (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 and technical assistance agreements, expenses relating to the sharing of group marketing costs such as 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.

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

- (11) The Company provides project management services that are undertaken during the period. The contracted fee for project management is set at a rate of 5% of the actual or budgeted costs of the project.

(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 Banyan Tree Gallery (Thailand) Limited 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 Banyan Tree Gallery (Singapore) Pte Ltd. and Banyan Tree Gallery (Thailand) Limited to related companies is priced at cost plus 10% to 20% margin.
- (14) Training charges by BTRS(T) in respect of providing centralised training facilities and courses for staff. The training costs are allocated to each operation based on actual cost.
- (15) Costs are often incurred within the group which is reimbursed by the company to which the expense relates. Actual costs are reimbursed with no handling costs applied.
- (16) Rental paid for premises and land. The rental periods are not over three years, except some transactions as stated below.
- (i) Rental and service fee 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

BGL : Bangtao Grande Limited

BTRS(T) : Banyan Tree Resorts & Spas (Thailand) Company Limited

LBTL : Laguna Banyan Tree Limited

- (ii) Rental and service fee for Banyan Tree Gallery (Singapore)'s office in 2009 was at the rate of SGD 3.21 per square feet per month. The rental is terminated, the fee of 2010 is nil.

(Unaudited but reviewed)

- (iii) Rental of space and service in Canal Village. The rates charged for rental and service are Baht 1,002 per square metre per month plus actual charge for utility supply.
 - (iv) Rental or rental and service income earned by Thai Wah Plaza Limited 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 108,484 (2009: Baht 103,318) and Baht 10,849 (2009: Baht 10,332) per rai per annum respectively increasing by 5% per annum.
 - (vi) The air conditioning rental fee related to the use of Laguna Service Company Limited's marquee which is on the basis of Baht 7,600 per bay and Baht 2,000 per hour.
 - (vii) Rental and service income for Angsana shop in hotel is on the basis of Baht 1,300 per square metre per month.
 - (viii) Rental of land on which Spa premises and spa outlet are located is on the basis of Baht 0.6 million and Baht 0.3 million per annum respectively.
 - (ix) Rental and service income for space in Banyan Tree Phuket for which Banyan Tree Spa office and store is at Baht 1,052 (2009: Baht 1,002) per square metre per month increasing by 5% per annum.
 - (x) Service income from rental of Banyan Tree Management Academy is at Baht 125,000 per month.
- (17) This relates to a Management Agreement to manage the hotel units of Cheer Golden Limited in the Angsana Resort & Spa on Bintan Island, Indonesia under which Cheer Golden Limited receives a return of 15% per annum on the investment of the leasehold rights.

(Unaudited but reviewed)

(18) Resort service charged to the operations relates to revenue of Laguna Service Company Limited which provides centralised services to each operation in the group located at Laguna Phuket at the following rates:

- Water supply : 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 : at the price based on cost plus a certain margin
- Marketing fee : at the rate of 1% of the operations' budgeted revenue
- Community service : based on actual cost

(19) This relates to the purchase of spa vouchers by Laguna Holiday Club Limited from Banyan Tree Resorts & Spas (Thailand) Company Limited which is priced at a 40% discount to the Spa price list.

(20) The Company charges a management fee to Banyan Tree Resorts and Spas (Thailand) Company Limited for providing administration services of information technology, human resources and maid. The monthly fee is Baht 65,000 and an additional Baht 300 per person for internet services.

(21) This relates to architectural and interior design services by Banyan Tree Hotels & Resorts Pte. Ltd. The fees are based on construction cost at the following progressive rates.

The first Baht 10 million	: 6.50%
The next Baht 10 - 30 million	: 5.50%
The next Baht 30 - 50 million	: 4.75%
The next Baht 50 - 100 million	: 4.50%
The next Baht 100 - 200 million	: 4.25%
The next Baht 200 - 500 million	: 3.75%
Above Baht 500 million	: 3.40%

(Unaudited but reviewed)

The fees are consistent with industry practice. As a result, these transactions are on normal commercial terms and conditions.

- (22) This transaction related to a connected person terminating a property sale contract with the Company that was previously entered into and of which revenue was recognised in 2007. The Company recorded a loss from the termination of the property sale in the income statements.

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

	(Unit: Million Baht)	
	<u>31 March 2010</u>	<u>31 December 2009</u>
Long-term loan facilities	780.0	780.0
Overdrafts and bank guarantee facilities	105.7	105.7
Forward exchange contract	177.6	177.6

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 2010</u>	<u>31 December 2009</u>
Long-term loan facilities	600.0	600.0
Short-term loan facilities	170.0	170.0
Overdrafts and bank guarantee facilities	10.0	10.0

(Unaudited but reviewed)

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

Amounts due from related parties

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Subsidiaries				
Bangtao Grande Limited	-	-	855	894
Laguna Banyan Tree Limited	-	-	4,076	4,539
Laguna Beach Club Limited	-	-	354	5,239
Laguna Grande Limited	-	-	1,792	11,195
Laguna Holiday Club Limited	-	-	1,397	28,675
Laguna Lakes Limited	-	-	37,595	33,129
TWR - Holdings Limited	-	-	3,712	3,762
Others	-	-	770	1,067
	-	-	50,551	88,500
Associate				
Lijiang Banyan Tree Hotel Co. Ltd.	11,933	22,698	-	-
Related companies				
Banyan Tree Investments Pte. Ltd.*	9,735	8,615	-	-
Banyan Tree Resorts & Spas (Thailand) Company Limited	9,266	7,774	-	-
Banyan Tree Hotels & Resorts Pte. Ltd.	14,711	10,132	371	3,301
Banyan Tree Holdings Limited	3,205	1,169	3,128	732
Banyan Tree (Private) Limited	3,741	3,715	-	-
Banyan Tree Spas (HK) Limited	361	969	-	-
Banyan Tree Resorts & Spas (Morocco) S.A.	959	625	224	224
Banyan Tree Spas Pte. Ltd.	6,611	6,561	-	-
Banyan Tree Resorts (Seychelles) Limited	8,134	9,895	28	16
Heritage Spas Dubai LLC	737	576	33	33
Jiwa Renga Resorts Limited	4,218	4,261	-	-
LVCL (Thailand) Co., Ltd.	5,298	2,694	1,559	923
Maldives Bay Pvt. Ltd.	2,667	2,076	-	-
PT Bintan Hotels	7,265	7,446	18	18
Others	3,531	4,187	3	3
	80,439	70,695	5,364	5,250
Total	92,372	93,393	55,915	93,750

(* Previously name "Banyan Tree Properties Pte. Ltd.")

(Unaudited but reviewed)

Long-term loans to subsidiaries

During the three-month period ended 31 March 2010, movements of long-term loans to subsidiaries were as follows:

(Unit: Thousand Baht)

	Separate financial statements			31 March 2010
	31 December 2009	Addition	Repayment	
Laguna (3) Limited	3,220	-	(2,500)	720
Laguna Banyan Tree Limited	841,350	173,500	(61,000)	953,850
Laguna Holiday Club Limited	123,550	23,500	(12,000)	135,050
Laguna Lakes Limited	416,701	-	-	416,701
TWR - Holdings Limited	1,023,670	120,000	(510,000)	633,670
Total	2,408,491	317,000	(585,500)	2,139,991

Long-term loans to employees

(Unit: Thousand Baht)

Employees of the companies	Consolidated financial statements			31 March 2010
	31 December 2009	Addition	Repayment	
Laguna Resorts & Hotels Public Company Limited	11,682	-	(1,934)	9,748
Laguna Banyan Tree Limited	3,823	-	(168)	3,655
Laguna Grande Limited	4,216	-	(293)	3,923
Laguna Holiday Club Limited	3,171	-	(243)	2,928
Laguna Service Company Limited	2,220	-	(170)	2,050
Total	25,112	-	(2,808)	22,304

(Unit: Thousand Baht)

Employees of the company	Separate financial statements			31 March 2010
	31 December 2009	Addition	Repayment	
Laguna Resorts & Hotels Public Company Limited	11,682	-	(1,934)	9,748

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 commencing from the date on which the loan is drawn down.

(Unaudited but reviewed)

Amounts due to related parties

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Subsidiaries				
Laguna Service Company Limited	-	-	3,908	4,430
Laguna Grande Limited	-	-	3,997	3,295
Bangtao Grande Limited	-	-	17,480	898
Laguna Banyan Tree Limited	-	-	16,871	1,059
Thai Wah Plaza Limited	-	-	2,353	1,318
Laguna Excursions Limited	-	-	1,237	1,747
Laguna Beach Club Limited	-	-	10,575	706
Others	-	-	2,229	438
	-	-	58,650	13,891
Associate				
Lijiang Banyan Tree Hotel Company Limited	2,150	3,810	-	-
Related companies				
Banyan Tree Resorts & Spa (Thailand) Company Limited	110,294	74,566	14,390	2,075
Banyan Tree Spas Pte. Ltd.	2,812	2,377	1,466	2,192
Banyan Tree Hotels & Resorts Pte. Ltd.	19,883	20,175	313	30
Others	2,015	1,002	76	45
	135,004	98,120	16,245	4,342
Total	137,154	101,930	74,895	18,233

Long-term loans from subsidiaries

During the three-month period ended 31 March 2010, movements of long-term loans from subsidiaries were as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	31 December			31 March
	2009	Addition	Repayment	2010
Laguna Grande Limited	881,140	87,000	(137,500)	830,640
	881,140	87,000	(137,500)	830,640

(Unaudited but reviewed)

4. Property development cost

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
Property for sale under holiday club memberships	473,011	464,973	-	-
Completed buildings	945,388	635,171	164,023	124,927
Land	3,466	3,018	2,855	2,504
Leasehold land	49,728	9,000	-	-
Property under construction	299,142	519,360	2,282	6,417
	1,770,735	1,631,522	169,160	133,848
Less: Allowance for diminution in market value of property under construction	(91,418)	(91,418)	-	-
Property development cost - net	1,679,317	1,540,104	169,160	133,848

A subsidiary has mortgaged property for sale under holiday club memberships amounting to Baht 160 million as collateral against its 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.
- 5.2 Installments receivable from property sales which bear interest at a rate of 9%, 12%, MLR plus 0.5% and the group's cost of fund plus 0.5% per annum and installments are repaid over a period of 3 to 10 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.

(Unaudited but reviewed)

Long-term trade accounts receivable are due as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	31 March 2010			31 December 2009		
	Loan receivable	Installment receivable	Total	Loan receivable	Installment receivable	Total
Current portion of long-term trade accounts receivable	3,865	248,796	252,661	3,973	267,791	271,764
Long-term trade accounts receivable	727	677,221	677,948	1,610	775,642	777,252
Total	4,592	926,017	930,609	5,583	1,043,433	1,049,016
Less: Allowance for doubtful accounts (Note 2)	-	(31,915)	(31,915)	-	(10,207)	(10,207)
Net	4,592	894,102	898,694	5,583	1,033,226	1,038,809
Sales of property						
Within one year (Note 2)	3,865	125,737	129,602	3,973	118,903	122,876
Between 2 - 5 years	727	502,613	503,340	1,610	475,860	477,470
Over 5 years	-	90,909	90,909	-	206,437	206,437
Long-term trade accounts receivable - sales of property	4,592	719,259	723,851	5,583	801,200	806,783
Sales of holiday club memberships						
Within one year (Note 2)	-	123,059	123,059	-	148,888	148,888
Between 2 - 5 years	-	83,699	83,699	-	93,345	93,345
Long-term trade accounts receivable - sales of holiday club memberships	-	206,758	206,758	-	242,233	242,233
Total	4,592	926,017	930,609	5,583	1,043,433	1,049,016
Less: Allowance for doubtful accounts (Note 2)	-	(31,915)	(31,915)	-	(10,207)	(10,207)
Net	4,592	894,102	898,694	5,583	1,033,226	1,038,809

(Unit: Thousand Baht)

	Separate financial statements					
	31 March 2010			31 December 2009		
	Loan receivable	Installment receivable	Total	Loan receivable	Installment receivable	Total
Current portion of long-term trade accounts receivable (Note 2)	-	22,835	22,835	-	24,349	24,349
Long-term trade accounts receivable	-	346,916	346,916	-	438,197	438,197
Total	-	369,751	369,751	-	462,546	462,546
Sales of property						
Within one year (Note 2)	-	22,835	22,835	-	24,349	24,349
Between 2 - 5 years	-	326,799	326,799	-	332,684	332,684
Over 5 years	-	20,117	20,117	-	105,513	105,513
Long-term trade accounts receivable - sales of property	-	369,751	369,751	-	462,546	462,546
Less: Allowance for doubtful accounts (note 2)	-	(12,050)	(12,050)	-	-	-
Net	-	357,701	357,701	-	462,546	462,546

6. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 December
	2010	2009	2010	2009	2010	2009
	Million Baht	Million Baht	%	%	Million Baht	Million Baht
<u>Subsidiaries held by the Company</u>						
Banyan Tree Gallery (Singapore) Pte Limited	SGD 0.43 Million	SGD 0.43 Million	51	51	4.0	4.0
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
<u>Subsidiaries held through TWR - Holdings Limited</u>						
Laguna Excursions Limited	8.0	8.0	49	49	-	-
Laguna Village Limited	6.0	6.0	100	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	2,260.0	2,260.0	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	-	-
<u>Subsidiaries held through Laguna Grande Limited</u>						
Banglao (1) Limited	20.9	20.9	100	100	-	-
Banglao (2) Limited	19.1	19.1	100	100	-	-
Banglao (3) Limited	7.8	7.8	100	100	-	-
Banglao (4) Limited	14.6	14.6	100	100	-	-
Banglao Development Limited	80.0	80.0	100	100	-	-
Banglao 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 Company Limited	USD 75 Thousands	USD 75 Thousands	51	51	-	-
<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

(Unaudited but reviewed)

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 2010 and 31 December 2009, 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.

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 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	
			(%)	(%)					
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	379,306	395,393	
Tropical Resorts Ltd.	Holding company	Hong Kong	26	26	17,673	17,673	-	-	
Less: Allowance for impairment of investment						(17,673)	(17,673)	-	-
						<u>366,523</u>	<u>366,523</u>	<u>379,306</u>	<u>395,393</u>

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	Share of loss from investments in associates	
	For three-month period 31 March 2010	For three-month period 31 March 2009
Lijiang Banyan Tree Hotel Co. Ltd.	(4,027)	(18,438)
	<u>(4,027)</u>	<u>(18,438)</u>

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.

(Unaudited but reviewed)

8. Other long-term investments

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Investment in available-for-sale security				
Universal Starch Public Company Limited	50,830	50,830	23,850	23,850
Less: 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 Ltd	188,425	188,425	-	-
Banyan Tree Indochina Hospitality Fund, L.P.	43,798	43,798	-	-
Total investments in other companies	232,223	232,223	-	-
Total other long-term investments - net	232,223	232,223	-	-

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 2009	21,420,243	1,989,318
Additions	28,455	1,470
Disposals and write off	(47,496)	(1,214)
Adjustments	7,374	(11)
Balance as at 31 March 2010	21,408,576	1,989,563
Accumulated depreciation		
Balance as at 31 December 2009	(5,844,210)	(778,793)
Depreciation charged for the period	(110,949)	(15,546)
Depreciation on revaluation surplus	(8,594)	(1,211)
Depreciation on disposals and write off	47,004	1,198
Depreciation on adjustments	(5,441)	-
Balance as at 31 March 2010	(5,922,190)	(794,352)
Allowance for impairment loss		
Balance as at 31 December 2009	(8,233)	-
Balance as at 31 March 2010	(8,233)	-
Net book value		
Balance as at 31 December 2009	15,567,800	1,210,525
Balance as at 31 March 2010	15,478,153	1,195,211

(Unaudited but reviewed)

The hotel building and units in office building were reappraised by an independent professional appraisal company in its report dated 24 December 2009 by using the "Depreciated Replacement Cost Approach" basis. Land and other revealed assets used the appraisal report dated 27 November 2007 by using a "Fair market Value" basis and the "Income Approach" basis, respectively.

The Company and its subsidiaries have mortgaged land and hotel buildings at fair value of Baht 10,024 million (31 December 2009: Baht 12,010 million) as collateral against credit facilities received from financial institutions (Separate financial statements: Baht 979 million, 31 December 2009: Baht 982 million).

10. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2009 represent promissory notes with maturity dates within 3 months, subject to interest at rate of 2.55 % 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
	2010	2009	2010	2009
Accrued expenses	328,147	403,862	87,135	95,700
Advance receipts from customers	174,500	231,482	11,691	27,248
Other accounts payable	77,778	112,807	8,570	23,102
Construction payable	63,473	106,574	1,052	3,874
Service charge payable to hotel staff	34,516	46,782	8,816	11,205
Value added tax payable	70,673	74,001	8,890	7,500
Accrued rental to villa owners	49,172	30,405	-	11,179
Unearned income	63,529	53,984	-	-
Total	861,788	1,059,897	126,154	179,808

(Unaudited but reviewed)

12. Long - term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
Secured	3,006,269	2,784,200	486,500	553,000
Long-term loans are repayable as follows:				
Within one year	704,498	827,766	119,000	168,000
Between one and two years	459,928	490,211	70,000	70,000
Between three and five years	653,593	697,223	210,000	210,000
Over five years	1,188,250	769,000	87,500	105,000
	2,301,771	1,956,434	367,500	385,000
Total	3,006,269	2,784,200	486,500	553,000

Movements in the long-term loans account during the three-month period ended 31 March 2010 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2009	2,784,200	553,000
Add : Additional borrowings	553,010	-
Less: Repayments	(330,941)	(66,500)
Balance as at 31 March 2010	3,006,269	486,500

Long-term loans consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
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:				
2009 onwards : MLR less 1% per annum	66,500	133,000	66,500	133,000
(2) Baht loan from a bank, with a facility of Baht 420 million repayable quarterly from July 2010 to April 2016, at an interest rate as follows:				
2009 onwards : MLR less 1%, 1.5% and 1.75% per annum	420,000	420,000	420,000	420,000

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Subsidiaries				
(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	-	25,000	-	-
(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	210,268	255,268	-	-
(5) 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: 2009 onwards : MLR less 0.5% per annum	545,741	578,932	-	-
(6) 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	155,000	180,000	-	-
(7) 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: 2009 onwards : MLR less 1% per annum or 3 month fixed deposit rate plus 2.5% per annum, whichever is higher	175,000	178,750	-	-
(8) 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: 2009 onwards : MLR less 0.5% per annum	91,250	92,500	-	-
(9) 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	-	10,000	-	-
(10) 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: 2009 onwards : MLR per annum and MLR less 0.5%, 1% and 1.5% per annum	998,500	554,250	-	-
(11) 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: 2009 onwards : MLR per annum and MLR less 0.5%, 1% and 1.5% per annum	145,000	145,000	-	-
(12) 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	10,000	12,500	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
(13) Baht loan from a bank, with a facility of Baht 400 million repayable quarterly from August 2009 to August 2012, at an interest rate as follows: 2009 onwards : MLR less 0.5%, 1% and 1.5% per annum	189,000	199,000	-	-
(14) Baht loan from bank, with a facility of Baht 700 million repayable quarterly from April 2012 to July 2016, at an interest rate as follows: 2010 onwards : MLR less 0.5%, 1.00% per annum	10	-	-	-
Total long-term loans from institutions	<u>3,006,269</u>	<u>2,784,200</u>	<u>486,500</u>	<u>553,000</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 (6) above are guaranteed by subsidiaries. The loans in (3), (6), (7) and (13) above are guaranteed by the Company.

The loan agreements contain covenants as specified in the agreements that, among other things, require to maintain certain debt to equity and debt service coverage ratios according to the agreement.

As at 31 March 2010, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 592 million (31 December 2009: Baht 1,326 million).

13. Commitments

Capital commitment

As at 31 March 2010, the Company and its subsidiaries have capital 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 19.0 million (31 December 2009: Baht 20.9 million).
- b) The Company and its subsidiaries have commitments that relate to projects to develop properties for sale amounting to approximately Baht 304.7 million (31 December 2009: 273.7 million).

(Unaudited but reviewed)

- c) 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 a 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 the land, having a total area of 53 rai 2 ngarn 3.4 square wah. The subsidiary holds the right to acquire the remaining land, having a total area of 183 rai 3 ngarn 36.2 square wah, by 1 July 2018. On the date of registration of the ownership transfer of the land acquired, the subsidiary paid the first installment of the 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.

Operating agreements

As at 31 March 2010, the company and its subsidiaries have operating agreements as follows:

- (a) The Company and its subsidiaries have 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:

<u>Company</u>	<u>Business unit</u>	<u>Operator</u>	<u>Contract period</u>	<u>Fees</u>
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
Bangtao Grande Limited	Sheraton Grande Laguna Phuket	Sheraton Overseas Management Corporation	11.1.1989 - 31.12.2012	- 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 (a)	- 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	1.1.2009 - 31.12.2015 (b)	- Royalty fee 2%: of total revenue
		Banyan Tree Resorts & Spas (Thailand) Company Limited	1.1.2009 - 31.12.2015 (b)	- Technical fee : 7.5% of gross operating profit

(Unaudited but reviewed)

Company	Business unit	Operator	Contract period	Fees
Thai Wah Plaza Limited	Banyan Tree Bangkok	Banyan Tree Hotels and Resorts Pte. Limited	1.1.2009 - 31.12.2021	Royalty fee 3% of total revenue
			(c)	
		Banyan Tree Resorts & Spas (Thailand) Company Limited	1.1.2009 - 31.12.2021	Management fee: 10% of gross operating profit
			(c)	
Laguna Village Limited	Outrigger Laguna	Outrigger Hotels (Thailand) Limited	29.5.2009 - 31.12.2019	Basic management fee: 2% of total revenue for the first fiscal year, 2.5% of total revenue for the second fiscal year and 3% of total revenue for the remain fiscal years
	Phuket Resort and Villas	Limited	(d)	- Incentive fee : 7% of gross operating profit

- (a) Operator has option to extend for 1 additional period of 10 years
(b) Operator has option to extend for 1 additional period of 10 years.
(c) Operator has option to extend for 1 additional period of 20 years.
(d) Operator has option to extend for 2 additional periods of 10 years.

- (b) The Company and its subsidiaries have commitments in respect of cash rewards options for villa rental scheme agreements. The terms of the scheme agreements are generally 6 years.

As at 31 March 2010, future minimum payments required under these scheme agreements were as follows.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Payable within:		
Less than 1 year	166.43	45.97
Between 2 - 5 years	499.56	155.81
Over 5 years	30.88	1.97

During the three month period ended 31 March 2010, the Company and its subsidiaries recognised rental expenses of Baht 43.41 million (separate financial statements: Baht 13.30 million).

Investment commitment

A subsidiary entered into the Limited Partnership Agreement in respect of the 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 fund size of USD 283 million at closing date on 30 June 2009, the capital commitment of USD 16 million would be approximately 5.65% of the fund. The injection of funds is expected to be over a period of 4 years from 2009. As at 31 March 2010, TWRH has made capital contributions of USD 1.3 million to the Fund.

14. Bank guarantees

- a) As at 31 March 2010, there were bank guarantees amounting to Baht 49.1 million (Separate financial statements: Baht 4 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 2009: Baht 48.8 million, Separate financial statements: Baht 3.8 million).
- b) On 2 July 2009, the Company approved the provision of a guarantee for a loan obtained by Lijiang Banyan Tree Hotel Co.,Ltd. (LBTH) by issuing the letter of indemnity to its parent company, Banyan Tree Holdings Limited. The provision of the guarantee was to secure the loan of LBTH in proportion to the equity interest of 49.04 percent of the Company in LBTH (through Laguna Banyan Tree Limited (LBTL)).

The loan enabled LBTH to have sufficient funds for the repayment of LBTH's shareholders' loans, accrued interest thereon and working capital for LBTH's business operations. The Company, as a shareholder of LBTH (through LBTL), has benefited from LBTH's repayment of shareholders' loans and accrued interest.

15. Segment information

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 2010								
	Hotel Business	Gallery Operations	Others	Total Hotel Operations	Office Rental	Property Development	Elimination of inter-segment revenues	Consolidation
Revenue from external customers	1,193	47	69	1,309	10	242	-	1,561
Intersegment revenues	61	10	-	71	5	-	(76)	-
Total revenues	1,254	57	69	1,380	15	242	(76)	1,561
Segment profit	857	20	37	914	5	180	-	1,099
Interest and other income	75	-	-	75	-	17	-	92
Unallocated expenses:								
Selling expenses								(118)
Administrative expenses								(459)
Loss on termination of property sales								(77)
Management benefit expense								(28)
Depreciation								(111)
Share of loss from investments								
In associates								(4)
Finance cost								(35)
Corporate income tax								(95)
Net income for the period								264

(Unaudited but reviewed)

(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	970	58	56	1,084	22	209	(75)	1,240
Segment profit	635	27	25	687	10	140		837
Interest and other income	10	-	-	10	-	15		25
Unallocated expenses:								
Selling expenses								(103)
Administrative expenses								(396)
Management benefit expense								(28)
Depreciation								(107)
Share of loss from investments in associates								(18)
Finance cost								(42)
Corporate income tax								(47)
Net income for the period								121

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

(Unit: Million Baht)

As at 31 March 2010

	Hotel Business	Gallery Operations	Others	Total Hotel Operations	Office Rental	Property Development	Elimination of inter-segment revenues	Total
Property, plant and equipment - net	13,463	18	1,373	14,854	593	31	-	15,478
Total assets	15,640	336	1,460	17,436	608	3,482	-	21,526

(Unit: Million Baht)

As at 31 December 2009

	Hotel Business	Gallery Operations	Others	Total Hotel Operations	Office Rental	Property Development	Elimination of inter-segment revenues	Total
Property, plant and equipment - net	13,546	18	1,375	14,939	597	32	-	15,568
Total assets	15,675	338	1,466	17,479	605	3,616	-	21,700

16. Financial instruments

The Company's financial instruments, as defined under Thai Accounting Standard No. 32 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable and payable, loans, investments, short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed in described below.

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 rates			Floating interest rate	Non interest Bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
	(Million Baht)						
Financial assets							
Cash equivalents (excluding cash)	62	-	-	575	-	637	0.50%
Trade accounts receivable	204	-	-	49	491	744	4.86% - 12%
Restricted deposits at financial institution	2	-	-	-	-	2	0.50%
Long-term trade accounts receivable	-	193	20	465	-	678	4.86% - 12%
Long-term loans to employees	-	-	-	22	-	22	4.86%
Financial liabilities							
Trade accounts payable	-	-	-	-	213	213	-
Long-term loans from financial institutions	-	-	-	3,006	-	3,006	3.85% - 5.35%
	Separate financial statements						
	Fixed interest rates			Floating interest rate	Non interest Bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
	(Million Baht)						
Financial assets							
Cash equivalents (excluding cash)	-	-	-	49	-	49	0.50%
Trade accounts receivable	23	-	-	-	77	100	4.86%-12%
Long-term trade accounts receivable	-	34	20	293	-	347	4.86%-12%
Long-term loans to subsidiaries	-	-	-	2,140	-	2,140	4.35%
Long-term loans to employees	-	-	-	10	-	10	4.86%

(Unaudited but reviewed)

	Separate financial statements						Interest rate (% p.a.)
	Fixed interest rates			Floating interest rate	Non interest Bearing	Total	
	Within 1 year	1-5 years	Over 5 years				
	(Million Baht)						
Financial liabilities							
Trade accounts payable	-	-	-	-	21	21	-
Long-term loans from subsidiaries	-	-	-	831	-	831	2.70%
Long-term loans from financial institutions	-	-	-	487	-	487	4.10%, 4.85%

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 2010 are summarised below.

Foreign currency	Amount bought	Forward rate for amount bought (Baht per US dollar)	Maturity
<u>The Company</u>			
US dollar	1.7 million	40.03	USD 1.7 million due on 30 April 2010
<u>Subsidiary</u>			
US dollar	7.3 million	34.01	USD 1.0 million due quarterly from 30 June 2010 to 31 December 2010 and USD 1.1 million due quarterly from 31 March 2011 to 31 December 2011

Foreign currency assets/liabilities

As at 31 March 2010, the outstanding balances of the Company and its subsidiaries' financial assets and liabilities denominated in foreign currencies are as follows:

(Unaudited but reviewed)

(Unit: Thousand)

<u>Foreign currency</u>	<u>Consolidated</u> <u>financial statements</u>		<u>Separate</u> <u>financial statements</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
US dollar	3,739	544	565	51
Singapore dollar	1,447	367	-	18
Euro	607	-	294	-
British Pound	462	-	224	-

17. Litigation

- a) A case was brought to the Central Bankruptcy Court on 5 August 2009 as a result of the judgment of the President of the Supreme Court of the previous case which the plaintiff brought to the Southern Bangkok Civil Court. 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.

This case is currently pending at the Central 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 in total 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.

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.

(Unaudited but reviewed)

- c) A case was brought to the Phuket Provincial Court on 8 October 2009, in which 4 LRH's affiliated companies and 10 individual directors are the defendants. The plaintiffs referred in the plaint that they purchased units in Allamanda 1 Condominium during 1991- 1995. The Sale and Purchase Agreement called for an area of approximately 20 rai. On registration of Allamanda 1 Condominium, Allamanda 1 Condominium was registered with only 9 rai 2 ngan 9 square wah. As result, the defendants have breached the Sale and Purchase Agreement. Therefore, the plaintiffs requested the defendants to completely deliver the common area as specified by the Agreement by transfer of the land totaling 10 rai 3 ngan 97.1 square wah to Allamanda (1) Juristic Person, as the 10th plaintiff, or to be jointly liable for the compensation of Baht 132 million in case the transfer of land cannot be made. The plaintiffs also requested for additional compensation in the amount of Baht 56 million for unlawful use of the land which is supposed to be common property of Allamanda 1 Condominium. The total amount of claim is Baht 188 million with interest at the rate of 7.5 % per annum from the date the claim was lodged until the defendants have made full payment. The plaintiffs also claimed that the former and current directors of those subsidiaries as the 5th to 14th defendants were the representatives of the subsidiaries being the 1st to 4th defendants, and therefore must also be jointly liable with those subsidiaries.

LRH's affiliated companies and individual directors have lodged their statement of defense and believe that the plaintiff's claims are invalid and therefore no provision has been made in the accounts.

This case is currently pending at the Phuket Provincial Court of First Instance.

18. Subsequent event

On 27 April 2010, the Annual General Meeting of the Company's shareholders approved the payment of a dividend from the retained earnings as at 31 December 2009 to the Company's shareholders of Baht 2.20 per share, or a total of Baht 367 million.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 May 2010.

No. L017/2010

11th May 2010

Subject : The explanation of operating results for the 1st quarter 2010
Attention : The President
The Stock Exchange of Thailand

Dear Sir,

For the first quarter ended 31st March 2010, Laguna Resorts & Hotels Public Company Limited achieved a net profit of Baht 235 million which was Baht 126 million higher when compared to the same period last year.

Total revenue for the three-month period increased by Baht 387 million as compared to the same period last year mainly due to the following:

- Revenue from hotel operations increased by Baht 288 million. This was mainly due to the increase in revenue of the Laguna Phuket operations which recovered from the global economic crisis and airport closures at the onset of the 2008/2009 high season which caused the low performance in the prior year. This was evident by higher hotel occupancies of 82% in this period as compared to 60% for the same period last year.
- Revenue from property development operations increased by Baht 39 million mainly due to increase in revenue recognition of Banyan Tree and Laguna Townhomes projects which was offset by decrease of revenue recognition of Laguna Village Villas project.
- Revenue from office rental operations decreased by Baht 7 million mainly due to the expiry of some lease contracts in June 2009 with no replacement by new tenants.
- Interest income decreased by Baht 3 million mainly due to a decrease in the number of property buyers undertaking deferred payment plans.
- Foreign exchange gains amounting to Baht 4 million in 2010 reflected the impact of the movement of the Thai Baht on foreign currency dominated loans from finance institutions and foreign currency trade receivables.
- Other income increased by Baht 66 million mainly due to the final settlement of an insurance claim relating to the tsunami in 2004.

Total expenses increased by Baht 217 million as compared to the same period last year mainly due to the following:

- Cost of hotel operations increased by Baht 61 million mainly due to the increase in hotel revenue and occupancies of the Laguna Phuket operations.
- Cost of property development operations decreased by Baht 1 million mainly due to the lower costs of a recently completed project offset by increase in costs from higher property revenue during the period.
- Selling expenses increased by Baht 15 million due to the higher hotel and property revenue.
- Administrative expenses increased by Baht 63 million mainly due to an increase in payroll costs, and hotel expenses such as villas rentals, management and incentive fee associated with the stronger performance of the hotel operations.
- Loss on termination of property sales amounting to Baht 77 million represented a net amount of the reversal of revenue and costs of the terminated units for which were previously sold and recognised in 2007.
- Depreciation increased by Baht 4 million mainly due to completed hotel renovations at Banyan Tree Bangkok in 2009.

Share of loss from investment in associate decreased by Baht 14 million as compared to the same period last year due to the rise of profit in property sales of Lijiang Banyan Tree Hotel Co. Ltd.

Finance cost decreased by Baht 7 million as compared to the prior year mainly due to lower loan balances and interest rates.

Corporate income tax increased by Baht 48 million as compared to the same period last year mainly due to higher profits from hotel and property development operations and the final insurance settlement mentioned above.

Net income attributable to minority interests increased by Baht 17 million as compared to the same period last year mainly due to the increased profit of Laguna Beach Club Limited in which there is a 50% minority interest.

For the reasons stated above, the company has shown an increase in net profit as compared to the same period last year.

Sincerely Yours,

(Mr. Stuart D. Reading)
Vice President-Finance

(Reviewed Quarter - 1 and Consolidated F/S (F45-3))
Report : Reviewed Quarterly Financial Statements
NAME LAGUNA RESORTS & HOTELS PUBLIC COMPANY LIMITED

Reviewed
(In thousands)
Ending 31 March

The Consolidated Financial Statements

Year	Quarter 1	
	2010	2009
Net profit (loss)	235,052	109,307
EPS (baht)	1.41	0.66

The Company Financial Statements

Year	Quarter 1	
	2010	2009
Net profit (loss)	7,264	75,974
EPS (baht)	0.04	0.46

Type of report :

Unqualified Opinion

Comment : 1. Please see details in financial statements, auditor's report and remarks from
SET SMART

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (ELCID), and has also submitted the original report to the Securities and Exchange Commission."

Signature.....

(Mr. Stuart D. Reading)

Position Vice President-Finance

Authorized to sign on behalf of the company

No. L021/2010

May 11, 2010

Subject: Approval of the 1st Quarter 2010 Financial Statements

**To: President
The Stock Exchange of Thailand**

The Board of Directors' Meeting of Laguna Resorts & Hotels Public Company Limited ("the Company") No. 2/2010 held on May 11, 2010 resolved that the Company's balance sheet as at March 31, 2010 and statements of earnings for the three-month period ended March 31, 2010 reviewed by the Auditor with the report thereon be approved.

Please be informed accordingly.

Sincerely yours,

(Ms. Sirivan Skulkerevathana)
Senior Assistant Vice President – Finance