

**Laguna Resorts & Hotels Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 December 2012**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax expenses	94,432,992	(82,695,152)	(42,875,169)	653,269,443
Adjustments to reconcile profit (loss) before income tax expenses				
to net cash provided by (paid from) operating activities:				
Depreciation	285,981,700	317,777,483	8,086,075	9,040,760
Amortisation of leasehold rights	2,591,415	2,534,970	-	-
Allowance for doubtful accounts (reversal)	3,244,158	(4,834,801)	(180,213)	164,536
Reduction of inventory to net realisable value (reversal)	(793,732)	135,157	-	-
Share of loss (profit) from investment in associate	5,427,759	(174,334,694)	-	-
Gain on sales of investments	-	(45,207,102)	-	(34,489,911)
Loss (gain) on change in fair value of investment properties	(81,204,000)	(22,699,617)	(12,204,000)	1,104,752
Allowance for diminution in value of other investment	-	-	-	6,466,044
Loss (gain) on sales of property, plant and equipment	(1,501,034)	1,359,121	(263,779)	508,800
Write off property, plant and equipment	1,836,084	3,304,368	1,606,371	1,240,000
Write off other current assets	4,935,561	12,146,069	-	-
Provision for long-term employee benefits (reversal)	(2,097,457)	36,575,538	(975,288)	6,814,967
Interest income	(34,019,414)	(42,888,804)	(120,327,540)	(139,753,580)
Interest expenses	179,887,551	132,157,254	40,082,794	52,368,433
Profit (loss) from operating activities before changes in				
operating assets and liabilities	458,721,583	133,329,790	(127,050,749)	556,734,244
Operating assets (increase) decrease				
Trade and other receivables	(46,760,095)	152,722,403	33,612,696	(45,861,083)
Inventories	12,210,168	(4,534,414)	119,756	762,149
Property development cost	346,714,421	140,850,967	37,256,439	52,581,322
Other current assets	11,322,808	(52,136,338)	(9,917,957)	4,031,288
Long-term trade accounts receivable	12,953,257	57,845,448	9,969,022	8,457,061
Other non-current assets	249,116	(24,248,983)	74,957	35,296

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

**Laguna Resorts & Hotels Public Company Limited and its subsidiaries**
**Cash flow statement (continued)**
**For the year ended 31 December 2012**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Operating liabilities increase (decrease)				
Trade and other payables	(20,816,220)	(69,959,293)	(73,469,792)	(25,106,663)
Advance received from customers	(21,736,519)	(40,714,018)	(119,533,463)	67,993,219
Other current liabilities	(10,696,302)	(1,552,984)	(3,178,854)	2,248,300
Provision for long-term employee benefits	(19,232,933)	-	(11,142,500)	-
Other non-current liabilities	11,707,678	(12,475,546)	320,958	(3,188,659)
Cash flows from (used in) operating activities	734,636,962	279,127,032	(262,939,487)	618,686,474
Cash received for interest income	33,756,002	44,745,618	90,954,813	114,422,481
Cash paid for interest expenses	(180,500,019)	(130,896,417)	(38,929,616)	(53,340,174)
Cash paid for income tax	(80,337,279)	(653,760,139)	(5,020,063)	(456,489,862)
<b>Net cash flows from (used in) operating activities</b>	<b>507,555,666</b>	<b>(460,783,906)</b>	<b>(215,934,353)</b>	<b>223,278,919</b>
<b>Cash flows from investing activities</b>				
Decrease in restricted deposits at financial institution	-	2,020,000	-	-
Increase in fixed deposit	(2,000,000)	-	(2,000,000)	-
Cash received from sale of investments in subsidiaries	-	710,096,465	-	119,489,911
Cash paid for purchase of investments in subsidiaries	-	-	(70,456,973)	(1,360,990)
Decrease in cash and cash equivalents of subsidiary at the disposal date	-	(64,258,403)	-	-
Cash paid for purchase of other long-term investment	(225,382,975)	(38,970,865)	-	(6,466,044)
Dividend received from investment in associate	-	17,181,689	-	-
Cash received from long-term loans to subsidiaries	-	-	1,090,200,000	2,040,990,000
Cash paid for long-term loans to subsidiaries	-	-	(952,750,000)	(1,634,650,000)
Decrease in long-term loans to employees	725,921	12,920,336	1,557,886	5,669,644
Cash received from sales of property, plant and equipment	2,191,109	2,875,710	902	54,633
Cash paid for acquisition of property, plant and equipment	(363,823,915)	(621,280,291)	(1,822,678)	(3,534,504)
<b>Net cash flow from (used in) investing activities</b>	<b>(588,289,860)</b>	<b>20,584,641</b>	<b>64,729,137</b>	<b>520,192,650</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from financial institution	(710,000,000)	710,000,000	(410,000,000)	410,000,000
Draw down of long-term loans from subsidiaries	-	-	955,450,000	563,650,000
Repayment of long-term loans from subsidiaries	-	-	(297,000,000)	(1,351,390,000)
Draw down of long-term loans from financial institutions	1,285,308,500	562,020,000	-	-
Repayment of long-term loans from financial institutions	(378,835,680)	(606,660,665)	(70,000,000)	(70,000,000)
Payment of dividends	(27,499,015)	(1,769,332,294)	-	(1,666,826,850)
<b>Net cash flows from (used in) financing activities</b>	<b>168,973,805</b>	<b>(1,103,972,959)</b>	<b>178,450,000</b>	<b>(2,114,566,850)</b>
Net exchange differences on translation of financial statements in foreign currency	4,627,923	1,775,288	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>92,867,534</b>	<b>(1,542,396,936)</b>	<b>27,244,784</b>	<b>(1,371,095,281)</b>
Cash and cash equivalents at beginning of year	478,996,835	2,021,393,771	26,153,457	1,397,248,738
<b>Cash and cash equivalents at end of year</b>	<b>571,864,369</b>	<b>478,996,835</b>	<b>53,398,241</b>	<b>26,153,457</b>
	-	-	-	-

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

**Laguna Resorts & Hotels Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2012**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Supplemental cash flows information</b>				
Non-cash items				
Transferred property, plant and equipment				
to investment properties	195,000,000	618,340,383	76,132,721	20,144,752
Addition of revaluation surplus on assets	21,000,000	-	8,198,909	-
Amortisation of revaluation surplus on assets	6,227,392	7,099,100	-	-
Reversal of revaluation surplus on assets for sale				
of investments	-	426,271,105	-	-
Increase (decrease) in exchange differences on translation				
of financial statements in foreign currency of associate	(12,315,938)	41,335,844	-	-
Utilise allowance for doubtful accounts	504,018	4,015,092	51,360	1,640,490
Reversal of revaluation surplus on disposal of assets	9,478,523	-	-	-
Actuarial gain of post-employment benefits	46,064,509	831,347	11,594,447	-

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